

Transcript Prepared by Clerk of the Legislature Transcribers Office
Floor Debate April 28, 2021

FOLEY: Good morning, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber for the sixty-ninth day of the One Hundred Seventh Legislature, First Session. Our chaplain for today is Senator Blood. Please rise.

BLOOD: Friends, please join me in an attitude of prayer. Teach us, O Lord, to be sweet and gentle in all the events of our lives and disappointments and the thoughtlessness of others and the insecurity of those we trust and the unfaithfulness of those on whom we rely. Let us forget ourselves so that we may enjoy the happiness of others. Teach us to profit by the suffering that comes across our path. Let us so use it that it may mellow us, not harden or embitter us, that it may make us patient, not irritable, that it may make us broad in our forgiveness, not narrow or proud or overbearing. May no one be less good for having come within our influence. No one less pure, less true, less kind, less noble for having been a fellow traveler with us on our journey towards eternal life. May our lives be lived in the supernatural, full of power for good and strong in its purpose of sanctity. I'm going to say that again, full of power for good and strong and its purpose for sanctity. Continue to grant us more tenderness, patience, and wisdom to handle the difficult situations that may arise. Guide us to stay close to you while staying true to ourselves as well as we work our way through this world. In the name of the Father and the Son and the Holy Spirit. Amen.

FOLEY: Thank you, Senator Blood. Senator Lathrop, can I ask you to lead us in the Pledge of Allegiance, please?

LATHROP: Please join me in the Pledge of Allegiance. I pledge allegiance to the flag of the United States of America and to the republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

FOLEY: Thank you, Senator Lathrop. I call to order the sixth-ninth day of the One Hundred Seventh Legislature, First Session. Senators, please record your presence. Roll call. Mr. Clerk, please record.

CLERK: I have a quorum present, Mr. President.

FOLEY: Thank you, Mr. Clerk. Are there any corrections for the Journal?

CLERK: Mr. President, there's one on page 1100, line 14, strike Hilgers insert Hughes, similar on page 1170. That's all that I have.

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FOLEY: Thank you, Mr. Clerk. Are there any messages, reports, or announcements?

CLERK: Just one item, Mr. President, LR111 offered by Senator Hughes on the membership. That resolution will be laid over. That's all that I have.

FOLEY: Thank you, Mr. Clerk. While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign the following three legislative resolutions: number LR98, LR99, and LR103. Senator Kolterman would like us to recognize Dr. Patrick Hotovy of York, Nebraska, who's serving us today as family physician of the day. Dr. Hotovy is with us under the north balcony. Doctor, if you could please rise, would like to welcome you to the Nebraska Legislature. We'll now proceed to the agenda, General File appropriations bill. Mr. Clerk.

CLERK: Mr. President, the first bill, LB247A by Senator Pansing Brooks. It's a bill for an act to appropriate funds to implement LB247.

FOLEY: Thank you, Mr. Clerk. Senator Pansing Brooks, you're recognized to open on LB247A.

PANSING BROOKS: Thank you, Mr. Lieutenant Governor, members of the body. LB247A appropriates \$12,000 for this biennium and \$4,000 for the 22-- 2022-2023 biennium to cover expenses for the Mental Health Crisis Hotline Task Force created by LB247. As the Legislature requires, these task forces must provide nonlegislative members with reimbursement for expenses incurred. I ask you to vote green on LB247A. Thank you, Mr.--

FOLEY: Thank you, Senator Pansing Brooks. Any discussion on the A bill? I see none. Senator Pansing Brooks, you're recognized to close. She waives closing. The question before the body is to advance LB247A to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted who care to? Record, please.

CLERK: 35 ayes, 0 nays on the advancement of LB247A.

FOLEY: LB247A advances. Next A bill, please.

CLERK: LB411A by Senator Lathrop. It's a bill for an act to appropriate funds to implement LB411.

FOLEY: Senator Lathrop, you're recognized to open on LB411A.

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LATHROP: Thank you, Mr. President. And colleagues, you'll remember yesterday on Select File, we advanced the bill dealing with electronic health records and the exchange. This is the A bill for that, that follows that bill to help in the implementation. I will tell you, honestly, I think that we may be able to get rid of this. In conversations, I think we've resolved the A bill with the last amendment, but that hasn't been clarified yet. So I will ask you to advance LB411A on to Select File. And with that, I will close. Thank you.

FOLEY: Thank you, Senator Lathrop. Any discussion on the A bill? I see none. Senator Lathrop waives closing. Question before the body is the advance of LB411A to E&R Initial. Those in favor vote aye; those opposed vote nay. Have you all voted? Record, please.

CLERK: 40 ayes, 0 nays on the advancement of--

FOLEY: LB411A advances. And the final A bill, please.

CLERK: LB428A by Senator Arch. It's a bill for an act to appropriate funds to implement LB428.

FOLEY: Senator Arch, you're recognized to open on LB428A.

ARCH: Thank you, Mr. President. LB428A is the A bill for LB428, which is the Health and Human Services Committee's package of legislation related to youth in the state's care. There are two pieces of that package that have a fiscal impact. First, there's a \$50,000 cost associated with engaging a consultant to evaluate the past decade of child welfare privatization in Douglas and Sarpy County and help the HHS Committee and the Legislature determine whether or not we should continue with privatization in the eastern service area. That report is due December 31 of this year. Second, there's \$125,000 cost to funding a cost and needs assessment for an adolescent inpatient hospital or psychiatric residential treatment facility at Lincoln Regional Center. This was a recommendation of the YRTC Special Oversight Committee and the Department of Health and Human Services in its five-year plan for the YRTCs. That report is due December 15 of this year. As a reminder, this package was introduced and prioritized by the Health and Human Services Committee with unanimous support from the committee. So I would appreciate your green vote on LB428A.

FOLEY: Thank you, Senator Arch. Any discussion on the A bill? I see none. Senator Arch, you're recognized to close. Waives closing. Question before the body is the advance of LB428A to E&R Initial.

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Those in favor vote aye; those opposed vote nay. Have you all voted? Record, please.

CLERK: 41 ayes, 0 nays on the advancement of LB428A.

FOLEY: LB428A advances to E&R Initial. And now we'll move to General File 2021 senator priority bill LB364. Mr. Clerk.

CLERK: LB364 is a bill introduced by Senator Linehan. It's a bill for an acting relating to revenue and taxation; it adopts the Opportunity Scholarships Act; provides for tax credit; and it harmonizes provisions. Introduced on January 13. At that time, referred to Revenue. The bill was advanced to General File. There are Revenue Committee amendments pending.

FOLEY: Thank you, Mr. Clerk. Senator Linehan, you're recognized to open on LB364.

LINEHAN: Thank you, Mr. President. And good morning, colleagues. Before I start my introduction, I'm just going to tell you what I think is an ironic and funny story. So this morning, as you might imagine, I'm an old farm girl. So I woke up at like 4:00, read the papers, and I found several things in the Lincoln Journal Star, especially their lead editorial this morning, a little frustrating, a little angering so poor staff that works for Linehan and got a call at 7:00 a.m., go get me 50 newspapers. You can't do that. The Lincoln Journal Star's front office was shut. Went to the machines on the campus, they're not there. And he went to two gas stations and I only ended up with four papers. So I'm going to put them under the balcony so you can all get a chance to look at them today. Today, we're going to discuss LB364, the Opportunity Scholarships Act. Through an amendment, the bill also includes LB531, which provides a \$5 million tax credit for childcare, including for public schools. If Nebraska truly wants to be a state that prioritizes every child and expand opportunities for all, we must pass this legislation. We have great public schools in Nebraska. We have some that struggle. And our biggest concern, in my opinion, should be is the gap that we have between people of color and white students. It's the worst in the nation. As Nebraska struggles to address such disparities in outcomes, all but three states have passed school-choice policies, including a tax credit scholarship program which exist in Kansas, South Dakota, Iowa, and elsewhere. For several years, actually, all my years here, I have prioritized such legislation, including this year's Opportunity Scholarships Act. And I will mention here that the Revenue Committee saw fit to send to the floor any legislation that was prioritized by a

senator. LB364 provides a tax credit to donors to nonprofit scholarship granting organizations such as the Children's Scholarship Fund of Omaha, which this year alone turned away 500 families. If this would pass, when it does pass, donors can contribute to up to 50 percent of their state income tax liability. So there's been people who said there's no lid. I'm willing to negotiate other things, but there is a lid. It can't be more than 50 percent of your income tax liability, which has been in this legislation for three or four years, because that was a negotiation between Senator Groene and Senator Linehan probably two or three years ago. The credit is capped at \$5 million annually, which is a-- I'll read the number, but I'm not going to try and explain it, which is .005 percent of what we all spend on pre K-12 public education in Nebraska. It does not take money from public schools. If it took money from public schools, then everything we do here that doesn't go to public education as far as tax cuts and spending is taking money from public schools. Some opponents falsely claim this benefits the wealthy. They are either misinformed or attempting to mislead. A contributor cannot make money from their donation as those funds would otherwise be owed to the state. Only children, only children from families who qualify for free and reduced lunch are eligible. Consequently, the only people who profit are the families who otherwise could not afford the cost to send their child to the school of their choice, which almost all Nebraskans do. I live in Elkhorn. We have great public schools. People are paying \$75 to \$100,000 for a lot, just the dirt to live in Elkhorn because of the schools. It's a privileged school choice for the wealthy and the middle class. Their children benefit from the family's ability to pay for tuition or like my family, we did. We actually went public school shopping and we ended up at Westside. In America, a child's opportunity for an education should not be determined by a family's income or zip code. Every year, the evidence on research and choice programs continues to prove the effectiveness, effectiveness of these policies, include improved-- including improved academic and life outcomes for participants. There is also strong public support for school choice according to a poll released just this month by RealClear Opinion Research. Seventy-one percent of voters backed school choice, including 66 percent of public school parents. Twenty-six studies have examined the impact of private school-choice programs on students and surrounding public schools. Twenty-four found positive effects, one found neutral, and only one found negative effects. Private school students reported less discrimination and bullying, including of LBGT+ students. Finally, out of 55 empirical studies, the fiscal impact found, the fiscal impact found-- 49 found that the programs saved state money, 4 found they were revenue

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neutral. I will continue to fight for expanding educational opportunities in Nebraska. I know that all children learn differently. I've heard stories from children who have been bullied at their assigned schools but could not afford another option. I also know scholarship programs have proven to benefit the children who participate and who remain in the public schools. The Opportunity Scholarships Act and the tax credit for childcare would benefit local communities through improved academic and life outcomes for our citizens. It would not increase the tax burden on hardworking Nebraskans. I urge you to please join me in fighting for children and families. Let's put opportunity ahead of special interests that have worked so hard to prevent educational freedom in Nebraska. Thank you, Mr. President.

FOLEY: Thank you, Senator Linehan. You may proceed with the committee amendment.

LINEHAN: Committee AM762 is a white copy amendment that becomes the bill. The committee amendment was advanced to General File on a 5-2 vote. AM762 changes-- contains changes to the green copy of LB364 and amended provisions of LB531. The portion of AM762 that specifically applies the provisions of LB364 is removed, the annual increase and the amount of the credit and the limit to the credit to \$5 million. So there is no annual increase. That was a huge concern. We took it out. The cap was \$10, it is now \$5 million. Additional language related to the annual increase of the amount of the credit has been removed. The total amount of credits that may be approved in any tax year are capped. Any taxpayer who makes qualifying contribution may apply for a nonrefundable tax credit equal to 50 percent, 50 percent on the scholarship, 75 percent on the childcare. And the credit for any taxpayer for a single taxpayer shall not exceed the lesser of \$25,000 or 50 percent. And I'm going to let Senator Briese have the remainder of my time so he can speak to his bill, which is now part of LB361 [SIC--LB364], LB531.

FOLEY: Thank you, Senator Linehan. Senator Briese, you've been yielded 8 minutes 30 seconds.

BRIESE: Thank you, Mr. President. Good morning, colleagues. And thank you, Chairman Linehan. I rise in support of AM762 and LB364. And I want to thank Senator Linehan for her relentless work on the issue of Opportunity Scholarships and her relentless efforts to increase educational opportunities for all Nebraska children. I admire and I appreciate her persistence on this issue. This package of LB364 and LB531 really is a collaboration that can move our state forward. It's

a collaboration about kids. It's about getting them off to a great start and ensuring they had the educational opportunities available that best fit their needs. It's a collaboration about young working parents helping ensure that they have access to childcare and helping them to be able to choose and afford the school that best fits their choice. So for now, I will focus my comments on the provisions of AM762 that reflect the provisions of LB531. LB531 is about encouraging investment in and development of quality early childcare programs in Nebraska. I will talk first about how it does that and then will speak to why that's important. In a nutshell, the amended provisions of LB531 is reflected in AM762 provide for a nonrefundable income tax credit for qualifying contributions to childcare facilities and providers. Under Section 4, a qualifying contribution must be for the establishment or operation of a program to establish a grant or loan program for parents requiring assistance to a collaborative or intermediary for training assistance or mentorship of providers for establishment of information programs for parents or for referral to such to a for-profit business for acquisition or improvement of facilities or equipment or to an intermediary to operate a program for parents requiring assistance. Under Section 4, some contributions don't qualify, such as contributions made to a provider in which the taxpayer has a financial interest, or if it's made to a for-profit business and is not directly invested in the acquisition or improvement of childcare facilities or equipment. Under Section 5, the total credits approved for any year are capped at \$5 million and are considered in the order in which they are received. Furthermore, the credits may only be earned for years '22 through 2027. So there is a sunset. Under Section 3, eligible childcare and early childhood program means one that is enrolled in to participate in the Step Up to Child Care Act-- Step up to Quality Child Care Act is licensed under one of several categories and is a for-profit or a nonprofit, qualifying contribution can include cash, check, ag commodity, livestock, or security. Under Section 4, a credit for 75 percent of the contribution can be claimed if the eligible childcare and Early Childhood Education Program has at least one child enrolled in the subsidy program of 68-1202 and that would be kids eligible for a childcare subsidy. Contributions to any other programs qualify for a 50 percent tax credit. The maximum credit available in any one year to anyone taxpayer is \$25,000, the lesser of \$25,000 or 50 percent of their tax liability. These credits can be carried forward for five years, can't be carried back. So it's a program that will both subsidize expansion of these facilities and incentivize contributions to them. So why is that important? It's really hard to overstate the importance of quality early childcare programs to our state. We talk

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all the time about growing our state, creating opportunity for young folks to live and work and raise their families in Nebraska and growing our state should always drive policy in this body. And how do we grow our state? How do we stimulate economic activity? How do we attract residents? How do we create employment? There's no magic wand, but there are several factors: tax policy, infrastructure development, business incentives, housing. The list goes on and on. But I would submit to you that high-quality early childhood programs are critical to workforce development and to the growth of our state. As we try to attract a skilled workforce to our communities, the presence of quality early childhood is crucial. Young families want to locate where they have access to early childcare. And you've seen the data suggesting that. And what sticks out in my mind is at a hearing in the Urban Affairs Committee a couple of years ago, when a, a central Nebraska resident was asked, well, why did you locate in this particular community? And he said the main reason they located there was the availability of childcare. And if you surveyed young couples asking them the same question, I would suspect that would be a common refrain that their decision hinged on availability of childcare. If your community doesn't have such opportunities, families are going to look elsewhere and businesses looking to locate in our state or expand in our state understand the importance of early childcare to their company's success. They realize it will be easier to attract the employees they need when quality early childcare is available. But perhaps more importantly, businesses believe that the foundation established in a quality early childcare environment enables a young person to enter the workforce with a wider array of marketable skills. Lack of early childhood programs can keep able-bodied adults out of the workforce and can handicap the quality of our future workforce. And I would submit that access to these programs truly is one of the keys to growing our state. Advancement of AM762 will demonstrate our commitment to improving access to childcare and our commitment to growing our state. Thank you, Mr. President.

FOLEY: Thank you, Senator Briese. Mr. Clerk.

CLERK: Mr. President, I now have a series of amendments to the committee amendments. The first, Senator Hunt, AM1051.

FOLEY: Senator Hunt, you're recognized to open on AM1051.

HUNT: Thank you, Mr. Lieutenant Governor. Good morning, colleagues. Good morning, Nebraskans. I've introduced AM1051 because I think it's important to get on the record that the nondiscrimination clause on page 3 of the bill is lacking. It doesn't go far enough for me to

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support this. We need to make sure that when schools are educating kids, they're educating all the kids. As introduced and amended by the committee, LB364 just requires that a qualifying school under the act, quote, complies with the nondiscrimination provisions of 42 U.S. Code 1981. If you actually go and look at what that is in federal law. There's pretty much nothing there that applies or is helpful here. It talks about equal rights under the law, but the circumstances described don't really pertain to kids in private schools. I'll read the statement of equal rights contained in this section. Quote, All persons within the jurisdiction of the United States shall have the same right in every state and territory to make and enforce contracts, to sue, be parties, give evidence, and to the full and equal benefit of all laws and proceedings for the security of persons and property as is enjoyed by white citizens and shall be subject to like punishment, pains, penalties, taxes, licenses, and exactions of every kind and to no other. Leaving alone that we still have explicitly racialized language right there in our federal nondiscrimination law, referring to the whites-- the rights enjoyed by white citizens, that's a discussion for another day. That law talks about protecting citizens' rights to make and enforce contracts and sue and engage in legal proceedings and things like that. It does say the full and equal benefit of all laws. But in my view, using that as the guiding star for standards we're holding these private schools to is inappropriate to the circumstances. I'm not a lawyer, but I am a lawmaker. And I think that if we're even considering giving tax breaks for donations to private denominational schools and diverting funds from our public schools that guarantee every child the right to a free education, then we should be very precise about what standards they are held to and how they should treat and educate our students. What my amendment does, AM1051, is it replaces that federal reference with language that says the school cannot, quote, discriminate on the basis of race, color, religion, national origin, ancestry, citizenship status, gender, sexual orientation, gender identity, disability or special education status. And something funny that happened since I got the idea to introduce this amendment is I recently went on a tour of some private Catholic schools to see what a good job the Catholic schools are doing. And I have to say that after those tours and discussions with administrators and teachers there, I am only more convinced about the need for this amendment. In actual conversation with one of the people administering the schools-- administrating the schools, this person talked to me about how he has seen several children who are confused about their gender identity, who have gender dysphoria, who are confused about their sexual orientation and how by the grace of God and the good works of these teachers they have corrected these

students and gotten them back on the godly path. To me, that was a pretty horrifying comment. It was a pretty stressful experience. And I took issue with them right then and there. And I think we all left feeling a little bit discouraged by those comments. And I also saw how a lot of the students in these schools were quiet and shy. And it made me wonder, is this a reflection of an educational institution that's working well and is this supporting all students in their personhood and in their identity? I have to say, based on conversations with administrators of these schools explicitly, no. You've heard me bring up this issue on so many of my own and others' bills. And I'm not going to stop because our trans kids, our gay kids, our gender nonconforming kids are not confused or misguided. They are wonderful just as they were made. And they are whole people and they are here to stay. And I'm not going to play a part in diverting funds for public schools toward private Christian, Catholic, denominational schools that might contribute to the dehumanization of students in the name of religion. I'm sure there are many fantastic private schools that are well-run and do a wonderful job of educating their students. I have no doubt that most students that go through private denominational schools have an excellent experience. I have no problem with parents choosing to put their children in schools like that, and I never have, and that's fine, and I'm not saying anything or tearing these schools down, but I'm saying that if families choose to send their children to these schools, that's their prerogative. But don't tell me the state should subsidize that, especially when it's just for the benefit of wealthy donors who are looking to get a tax break. It's never been more clear to me, especially after the unfortunate interaction I had in this church school, that we cannot be confident that private schools are going to handle the care and keeping of our kids thoughtfully and respectfully without regard to identity or background. Again, I'm sure most of them do, but I'm not willing to risk considering anything like that without being crystal clear of what we expect from them. One thing that I've spoken about frequently in my career is how there's more to education than what you're taught in school. The name of a school a child goes to doesn't tell us anything about that child's intelligence. It doesn't tell us anything about that child's capacity to learn or what their sense of self-discipline is or their intelligence or their emotional intelligence or their curiosities. And the advantages of the diversity and the diversity of aptitude is evident in our public school system. A system that serves all children is its own life preparation. And I know this isn't about public schools versus private schools, but when we're talking about taking revenue away from the state to support private schools over public schools, that's worth mentioning. It's

important to understand that and talk about this. The most important advantage of a strong, well-funded public school system is simply that they serve every child in a community at a time when we are needing to be really considerate about our spending and our revenue here in the state when we have a lot of expensive bills on the floor. Nebraskans who care about sustainable and healthy public school system should have serious concerns about a dollar for dollar tax credit to further reduce our revenue in Nebraska and create more opportunities for wealthy donors to benefit from our tax system. So to not include discrimination protections in this bill is a very significant omission to me. People have the freedom already to send their kids to private school. This is not about liberty, but no one has the right to take public funds for this, especially when these schools are not teaching, you know, on inclusive principles that actually welcome and celebrate the identity of every child. Tax dollars are public funds, period. This is about redirecting taxpayer dollars to private schools. And to say no taxpayer dollars are going to these scholarship programs is deceptive. Nothing is preventing someone from donating \$500,000 to a scholarship program already. But that doesn't mean that they should be entitled to a \$500,000 credit for that on their taxes. That's not supporting kids. That's about using the tax code to protect the wealthy while weakening public schools. And that's the only way that I see this. If a wealthy donor would not support a private school without passing LB364, without being able to get a dollar for dollar tax credit, then that is not the state's problem. And it's not our business in the Legislature to take revenue out of what we have to work with to provide essential services to rebuild our rainy day fund to create a mechanism that just incentivizes wealthy donors to give money to private organizations. That's not something that I consider as part of our job description. Mr. Lieutenant Governor, how much time do I have?

FOLEY: 1:20.

HUNT: Thank you. This amounts to a huge loss of revenue for Nebraska that we just cannot afford. A lot of the senators who are proponents of this bill are the same ones who talk the loudest about property tax relief, but this proposal does quite literally the opposite. We know the best way to reduce property tax demands on localities--

FOLEY: One minute.

HUNT: --is to shore up state support for public schools so we cannot chip away at them. Colleagues, if we have LB364, why do we have public schools at all? The answer is because we all benefit from having an

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educated society and we believe everyone should have access to a quality education. If these public schools are not performing adequately, the solution is not to cut taxes on the rich, which seems to be the preferred solution to every problem, large and small. There are already tax incentives to give to charity. This is what it is. It couldn't be more straightforward. It's a bill that is a gift to the wealthy under the pretense of helping poor people. Thank you, Mr. Lieutenant Governor.

FOLEY: Thank you, Senator Hunt. Long list of senators in the speaking queue. Senator Slama, you're first.

SLAMA: Thank you, Mr. President. Glad to know I won the battle of the buttons this morning. I rise in support of LB364 and AM762. I am opposed to Senator Hunt's AM1051, which is obviously part of a filibuster that we're going to see on the floor today. I'd like to start by thanking Senator Linehan for her efforts. She's been a champion for kids in the state and has remained steadfast as that champion and a champion for educational freedom, even in the face of a misinformation campaign led by certain lobby groups intended to smear Senator Linehan and her efforts. You've already heard a few of those false talking points today from Senator Hunt. LB364 will ensure working-class families in Nebraska will have the same access to educational freedom as middle-class and wealthier families in our state. And with that, I yield the remainder of my time to Senator Linehan.

FOLEY: Thank you, Senator Slama. Senator Linehan, you've been yielded 4:00.

LINEHAN: I appreciate it very much, thank you, Senator Slama. And I appreciate very much Senator Hunt's comments, but I-- and I don't want this to devolve into some kind of antichoice, anti-public. I'm not anti-public schools. My children went to public schools. But I was fortunate-- and they also, my daughters in high school went to private school. But I was fortunate enough when I was not happy at the school district I was in, I went school shopping. I literally interviewed principals and teachers and then bought a house in the school I wanted my-- in the district where I wanted my children to go. And we're not talking this morning-- this bill will not help people who can do that. We have St. Patrick's in Elkhorn. I-- there might be one or two children in that school that are free and reduced lunch, but I don't think so. This helps students who are in areas where they're renting and hoping they don't have to move because they miss the rent. And it's a little, I think, disingenuous, or maybe that's not-- I won't go

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there yet. I'm sorry. We're not connecting some dots here. I've heard several fights, legit arguments, debates on this floor, legitimate that we should do more for people who are low income. As a matter of fact, in the Revenue Committee, we had several bills. One was Senator John Cavanaugh's increase the earned income tax credit. It would be-- the fiscal note is \$8.8 million. Does that take money away from public schools? This bill, my portion is \$5 million. This is \$8.8. See another one, Senator Morfeld, tax credit for Apprentice Training Program Tax Credit Act, fiscal note, \$2.5 million. Does that take money away from-- do we really think Senator Morfeld would introduce a tax credit bill that takes money away from public schools? I don't think so. And then, and I do like her so much and I don't see her, Senator Wishart had a tax credit bill she introduced this year for Fueling Station Tax Credit Act, \$5.350 million. Now do we think Anna Wishart is going to take money away from public schools? So I don't see-- again, that's, that's-- we can go to what we've already passed in tax credits since in 2019.

FOLEY: One minute.

LINEHAN: Senator Wayne provided income tax credit, credit for purchases of a residence. It passed 47-0-2. Senator Lindstrom had change School Readiness Tax Credit Act. It passed 47-0-2. Senator Vargas had change procedures for tax credits under the Nebraska Job Creation and Mainstreet Revitalization Act, which we just recently kicked out of committee to extend it. That passed 44-0-5. Senator Geist extended the Beginning Farmer Tax Credit, 46-0-3. Adopt the Renewable Chemical Production Tax Credit Act, Senator Lindstrom, 41-44-- 41-4-4. So I find it--

FOLEY: It's time.

LINEHAN: --hurtful, I guess would be the word--

FOLEY: That's time, Senator.

LINEHAN: --that this tax credit somehow--

FOLEY: That's time.

LINEHAN: --takes money-- I'm sorry, did you say time?

FOLEY: That's time.

LINEHAN: Thank you.

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FOLEY: Thank you, Senator Linehan. Mr. Clerk.

CLERK: Mr. President, I have a priority motion, Senator Wayne would move to bracket the bill until May 1, 2021.

FOLEY: Senator Wayne, you're recognized to open on your bracket motion.

WAYNE: Thank you, Mr. President. I am next in the queue, but unfortunately, I have to go back to court for a client and then come back down here. But I came down here this morning because I've been dealing with education since 2008 and probably prior to that when I was working with kids and that's when I ran for the learning community. Since then, I've been dealing with it in an elected official capacity. And so I want to frame this conversation differently and I hope truly on both sides of the fence, whether you consider yourself an ally or not, listen to these words I'm saying because I'm coming from a different perspective, a different perspective where I was against this bill for many years. But there are some fundamental things that have changed over the last course of the year that made me say, well, why not? First, every child should have access to a high-quality education, not by chance, not by privilege, but by right. The fact of the matter is, it's right now a chance that you get to go to a good school depending upon where you live. Sometimes it's often a privilege that you get to go to a good school in Nebraska. But the fact of the matter is, it should be by right. Over a century ago, Frederick Douglass and then later quoted by Malcolm X said that: Education is the passport to the future, for tomorrow belongs to the people who prepare for it today. Well, when you look at the achievement gap in the communities in east Omaha, we're not doing a very good job of preparing black people for tomorrow's world. And in fact, over the last 12 years, that gap has grown. And there could be never more truth to the statement that I just read when today you think about how our kids are competing not just in Nebraska, but globally with China, with Russia, with Italy. A good education is the key to the American promise. And what that means is that if you work hard and you get a good education, you can be successful in America. But a key element of that is a good education. And we are failing so many people. I am a proud Omaha Public School product. I went to Hartman Elementary, King Science Center, Northwest High School, and what I learned in that environment is I was blessed to have mentors and people who took me aside to make sure I was successful. Elmer Crumbley, Arvin Frazier, Judge Lowe, they stood with me to get me through. But I also learned that we have a dual education system and that many kids are often left behind. And the fact of the

matter today, many of the kids that I represent are still getting Jim Crow math and back of the bus science. And that is a fundamental problem for me. We talk about many of the people who will speak up against this bill. I have seen quotes from Martin Luther King that says "A right delayed is a right denied." Well, damn it, this is a right being delayed every year for my community. So don't quote that when it's convenient. Be an ally when it's not. We shouldn't criticize parents for wanting something better than their school they're stuck in. We shouldn't criticize community saying I want a choice. But let me tell you about the choice in my school, school district. If I opt out to another school, and I have a bill on it, LB555-- LB550, if I opt out to Millard and I want to leave Millard because as I've been there for six years or my child's been there for six years, the only school district I get to go back is my home school in my neighborhood. That is statute. There's no real choice. There's one choice. You get to opt out once. And if that doesn't work out, you got to go back to your neighborhood school district. That is law. I've try to up that for the last two years to unlimited or to five. And then I get the other side of the argument. Well, now we're giving too much choice. Parents don't know. We can't have a kid leave a school district every year. Well, if a kid is transferring every year, there's a bigger problem that needs to be addressed in that family household. So we have this false sense of choice. It's only one choice. And then if you don't like that choice, you got to go back to the same school district you were trying to leave. While public school system continues to operate in a way that neglect and outright harms the education of black children, what's amazing is we are the same people who are standing up to block the choice that parents want. Just a choice. I believe that it's unfair, unjust, and just flat out wrong to not give parents a choice. So let me tell you about a choice that happened at Burke High School last year. When they decided to not have fall football because of COVID, over 30 percent of the football varsity players left, picked up and moved to Bennington, Westside, or Millard so they can get into their school districts so those kids can play a sport. You know what happened at North High School? They stayed. Many kids lost scholarships. You know what happened at Northwest? They stayed. Many kids lost opportunities for scholarships. Choice is about privilege, having the dollars to make that choice. This bill is disrupting the system enough to say let's give free and low-income students and their parents a choice to go to a different school. Why is that bad? I have no idea. I've said before over and over, we have to be comfortable being uncomfortable. And this is one of those moments. There are very few people on this floor who I think have the ability to stand up in good conscience and say they are against all

tax credits. Very few. And I will credit Megan Hunt, Senator Hunt, she's been one of those people, LB1107, Senator Cavanaugh, Senator Hunt, we're, we're against it all the way through. Outside of that, if we spend a hundred and something million dollars on corporations and we can't spend \$5 million on people, then we're saying we're putting profits over people as a body. Because this bill is about the kids, all the other tax credits that I've seen have been about the profits. So when we sit here and have this debate, and I'll be listening to it while I'm in court too, because it shouldn't take that long as I'm driving back. This is that defining moment where I'm going to start calling out people for not being consistent when it comes to choices that my parents are asking for, at least the option. And you know what, they may not, they may not like a private school. They may agree that it might have too much of Christianity or too much of this and go back to public school. But what I do know is in Senator Terrell McKinney's district, there's a school by Nelson Mandela that filled up and had a waiting list before it even opened. So I know parents are asking for something. They're asking for something, because what we're doing right now is not working. And I'm not saying this is the silver lining, this is the magic bullet that's going to fundamentally change the education in north and south Omaha or is going to change the education in rural Nebraska. But what we're doing is not working. We are not making the changes that need to happen to make sure kids are being educated. And if it's about dollars, because I sat on a conference call when OPS said they don't need any more money, they have more money than they know what to do with this year. So if it's about dollars, then in the next two years the achievement gap should be gone because they have more money now than they know what to do with. It's not about that. Suspending 800 kindergartners has nothing to do with dollars. That is a culture. That's why over four years, I have not, I don't know, we keep going back and forth, not sure. But at the end of the day, we've passed multiple hundreds of millions of tax credits for corporations. But when it comes to scholarships that mainly benefit kids that look like me, we're going to oppose it. And then you're going to stand here and say you're an ally when it comes to police brutality. That's the same system, it's the same government over the history. There's been two systematic governments that our people have relied on that has pushed us back, police and education system. So you can't have talk about one and not talk about the other. I literally drove--

FOLEY: One minute.

WAYNE: --home last night, drove back down here because I have to leave by 10:00 because we have to change how this conversation goes in this

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body. We need to stop using excuses as we are taking money away from education. But we are OK with taking money away for education, for profits. We have to stop saying that everything's fine. Let's just wait a little bit longer. I've been elected for a whole generation who walked from kindergarten through 12th grade and nothing's changed and we want to wait longer. It's time to start upsetting the apple cart to create change. And although this is a very, very small, small pebble being thrown in this big stone, it's a start. And it's a start to empower the parents and the kids in my community to make that choice, a real choice. That's why I came down here, and that's why I'm going to put another 200 miles on my car today driving--

FOLEY: Senator Wayne,--

WAYNE: --back and forth.

FOLEY: --you've exhausted your ten minutes, but you're next in the queue.

WAYNE: Thank you. So I want to just end briefly with something real simple. We talk a lot about the American dream, but we know when kids don't have the right education, they go into the American prison system. We know study after study shows that prison systems are often built off of third and fourth grade reading scores. That's fact. That's how they project what's going to happen, at least they did for the last 80 years. So rather than trying to keep parents and students in bad schools, let's do a dual approach, let's fix the system, but let's also give people choice. With so many schools not living up to what I consider the end of our bargain for the American dream, we have obviously more work to do. Nobody's denying that. But let's not get into these-- I almost cussed on the mike, BS arguments about tax credits taken away from education funding when I heard nobody say that for two years about corporate tax credits. Let's not talk about rich people being able to have a tax write-off, because that's not my concern. My concern are the poor kids being able to go to school. Let's have that conversation. But don't stand up and say it's about this, this, and this when we haven't been consistent on anything else. Don't stand up and say you're an ally for the cause, but you won't even give the people in my community an option, a \$5 million option when we spend hundreds of millions of dollars every year in property tax relief and tax credits. So I'll, I'll be watching, but I hope we have a better-- like, I appreciate Senator Hunt's amendment. It's working towards to make the bill better. I just don't want this to deteriorate into what I've seen before on this floor with false information and denial of a right that's been denied too long for too

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long in my community. Thank you, Mr. President, and I'll withdraw that motion.

FOLEY: Motion's withdrawn. Thank you, Senator Wayne. Next in the queue is Senator Albrecht.

ALBRECHT: Thank you, President Foley. Good morning, Nebraskans. I think it's important to recognize Senator Linehan for all the work. I know in this body, we bring up a lot of bills year after year after year. And this particular one, she has gone above and beyond trying to figure out what needs to be done so that people of Nebraska know and understand. As legislators, it's our responsibility to take care of all the families and to give the choices needed in all family situations. So with that, again, I'm in strong support of LB364 and the amendment. I want Nebraska to know that LB364 would increase choice in education for Nebraska families by enacting this tax credit for donations to nonprofit scholarship granting institutions. And in turn, these organizations would give low-income students a scholarship to attend a school that best fits their unique educational needs, interest, and abilities providing that each student with the best foundation for an enriched life. Every child in Nebraska should have access to a quality education, allowing them to discover, develop, and apply their unique talents to find lifelong fulfillment and contribute to their community. This opportunity should be available to all students, regardless of that zip code or breaking the barriers that often stand in the way of low-income students. We encourage all legislators in this room to work on solutions to extend that educational opportunities. When families are equipped with diversity of tools, they can make those best decisions. And it is their, their, their children, not the state's. We have a public education. I had one of myself. You know, we had seven children in our family. We moved to Sarpy County and the Catholic school wasn't able to take us. They, they didn't have enough room for us, you know, so, of course, it broke my mother's heart. And that was not a choice that we had for our family. But I'm telling you, I have 13 grandchildren, and today I do believe whether you can afford it or not, if you can't afford it, these scholarships would be available to you. But more importantly, the, the same families that are going to private schools and choosing to are still paying taxes for our private-- or our public schools. So I just want people of Nebraska to know and understand this is a vehicle for low-income students to be able to have that option. And I, I can't imagine anyone denying them that privilege. So I'll yield the rest of my time to Senator Linehan if she'd like it. Thank you.

FOLEY: Thank you, Senator Albrecht. Senator Linehan, just under 2:00.

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LINEHAN: I have asked the pages if they would distribute something. I'm just going to take two minutes. There's so many subjects here and so many things to counter so I'm going to start with countering one that has come up slightly, but I'm sure will come up later. What you're going to get here in a bit from the pages is the Application for Student Transfer Nebraska Enrollment Option Program. So we hear a lot from outside-- or outside the glass, I guess is how you say it, of how we have school choice in Nebraska. We have options. We have choice. We don't need to do this. And then we also hear even inside the glass that we don't-- those private schools don't take care of special-ed kids. They don't take them. Well, the form you're going to get, it's the application you will see it has the standard stuff at the top, student's name, birthdate, parent or guardian, mailing address, city, zip code, telephone number. First quest-- oh, then what grade are we in? First question, does this student require special education services? Then the next one, if yes, does this student have an IEP, individualized educational program? You know why that question's on there? Why would we have that question on there? Because the way our option works, you only have to accept students if you have room. So guess what, there's not room in my school for a kid with IEP. So I think it's, as Senator Wayne--

FOLEY: That's time, Senator.

LINEHAN: --spoke-- OK, thank you.

FOLEY: Thank you, Senator Linehan. Senator Clements.

CLEMENTS: Thank you, Mr. President. Senator Wayne is gone, but I wanted to thank him for his insight as being right where the, the target of this bill is for helping kids in the low-income areas and setting up in support of it. I really hope that we can get it passed this year. One thing opponents have been sending to me was about this taking money away from the public schools and reducing the state's budget so that as that shrinks, public schools might suffer. One thing, I do support the state aid formula, the TEEOSA formula in the Appropriations Committee. And even when we had cuts, we fully supported that. And the reason I support state aid is because cuts to state aid to schools causes property taxes to increase at the local level. And that's a high priority to me to keep property taxes from increasing. And so I do support the state aid formula, even if this takes \$5 million away from state funding. But I don't think it does. According to the group EdChoice, there have been 50 separate fiscal analysis conducted on private school choice programs in the United States. Of those, 45 found the programs generated net savings for the

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state and four of them found the programs were cost neutral. And one very small Louisiana program for special needs students had a minimal net cost. So tax credit scholarship programs currently exist in 18 other states. Numerous independent studies confirm the net savings these programs produce. I was surprised to read this, but as I looked at it further, I, I can see why it happens. Got four different examples. In Iowa, the Iowa Department of Revenue concludes that Iowa's tax credit scholarships program achieves net state savings of about \$12 million annually. In Oklahoma, a recent study of the donations and scholarships provided through Oklahoma's program shows a fiscal savings of \$2.58 for every dollar in claimed income tax credits when all funding sources are included. The fiscal savings solely to the state budget is \$1.24 for every dollar of credit-- tax credit issued. In Florida, Florida's Tax Credit Scholarship Program saved \$1.49 in state revenue for every dollar of tax credits according to a December 2008 report from the Florida Office of Program Policy Analysis. Then an updated 2010 report included that Florida's program saved \$1.44 in state revenue for every dollar of tax credit. The fourth one is Arizona. The nation's first tax credit scholarship program enacted by Arizona in 1997 was found to be almost immediately revenue neutral according to an independent study by Harvard analysts. Unlike this bill, LB364, Arizona's original program does not require any first-time recipients to previously attend public school. Students already in private school receiving scholarships lowered the Arizona savings, but students transferring more than made up for it. LB364 plan is less generous, so the savings to Nebraska will be more. And so the concern that this is going to hurt public schools or cut state revenues has been proven the opposite in several other states. It's either revenue neutral or it, it saves the state money and there'll be more money for public education from the state budget. With that, I'd like to yield the rest of my time to Senator Linehan.

FOLEY: Senator Linehan, you've been yielded 17 seconds.

LINEHAN: I think I'll pass. Thank you, Senator Clements.

FOLEY: Thank you. Senator McDonnell.

MCDONNELL: Thank you, Mr. President. Morning, colleagues. I want to start by thanking Senator Linehan, five years ago when she started having this discussion with me and, and others that were, were here, I noticed one consistent theme and one consistent problem she was trying to solve. She stayed with the idea of how do we help children? How do we help children get a better education? The problem we're trying to solve is there's something that these children need that's different,

there's something that they need that is different. But there's also part of the problem where there's people that because of, of their income, they can't give that child a different option or something different that might actually help their, their needs. When I ran, I ran on a simple message. I, I believe good neighborhoods build good cities, good cities build good states. What creates a good neighborhood? It's good paying jobs, good public safety and good public education, good public education. That has not changed for me. It's still about good public education. I'm proud of Omaha Public Schools. My wife teaches at Omaha Public Schools. I'm proud of the work she does. I've got nieces that are teaching in, in Millard and Elkhorn. I'm proud of the work they do, the difference they make. But then we have those people that come to us and say, my child was expelled, my child made some mistakes and was expelled. Where do they go? And I'm certain you've had constituents come talk to you about this. I don't have the option, I don't have the extra income to help my child. To take care of the problem that Senator Linehan's been working on for the last five years, I don't, I don't have that option. But one option in Omaha is the Street School. The Street School, approximately 90 percent of the kids that are going through the Street School have been expelled. They had nowhere else to go. And approximately through that process, that 90 percent of their, their seniors are, are graduating. Ninety percent. Talk about people that, you know, free and reduced lunch and some of the economic struggles they're having and now they've been expelled and now the Street School is saying, OK, we'll take you, we're-- and, and again, it's extremely small on average, about 35, 35 kids, but it's working for whatever reason it wasn't working for them in OPS. On an average, we're talking about roughly maybe 400 in OPS going back a couple years ago, they had 5,613 suspensions that ended up going into 400 people expelled. We want to talk about prison overcrowding, today is part of that discussion, today is part of that discussion. Because if 85 percent of the kids on national average are functionally illiterate that are in juvenile justice, and then approximately 70 percent of people serving time are in the same boat, well, two plus two is four. It's not five, it's not three. This started a long time ago. This started when they were in school. And for all of the great things we can say about the public schools, it's not going to be for everyone. It's not. And we have these people that are saying, I'd like to have an option. And we've got some of the people that have been given no choice at this point because now their children have been expelled.

FOLEY: One minute.

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McDONNELL: If Senator Linehan's idea on solving this problem would take \$1 from public education, reduce it by \$1 in the state of Nebraska, I'd be 100 percent opposed to this, 100 percent opposed to it. This is not what she is trying to do. Senator Linehan for five years has worked on the, on the fact that we have children that have different needs, their parents want different opportunities. They can't afford it. And that's what she's trying to do. She's trying to help those parents with those kids. And not at any moment in time in any private conversation with her has she ever said, that, oh, this is about trying to hurt public education. It's not. Please consider today what we're talking about in the long-term effects. And when Senator Wayne gets back this afternoon, I believe this is going to be discussed until he gets back,--

FOLEY: That's time.

McDONNELL: --we're going to have a few discussions and, and I'm going to ask him a few questions on the--

FOLEY: That's time, Senator.

McDONNELL: --record. And I, I believe if we try to--

FOLEY: That's time, Senator.

McDONNELL: --keep our eye on the ball, that this is about helping children--

FOLEY: Senator McDonnell, that's time.

McDONNELL: --get better education, than we could be successful--

FOLEY: That time, Senator.

McDONNELL: Thank you.

FOLEY: Thank you, Senator McDonnell. Senator Morfeld.

MORFELD: Thank you, Mr. President. Colleagues, I rise in opposition to LB364 and AM762 for a lot of different reasons. But I'll start at the baseline that, one, I'm not opposed to tax credits. I mean, I think it's pretty obvious that I'm not opposed to tax credits. I'm just opposed to this tax credit. And the bottom line is, is that I think that when we're talking about improving educational outcomes, particularly in our public schools, this is not the approach that we should be taking. I'd rather spend time, energy, and money in

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addressing some of the key problems that people have brought up in our public education system if they exist and I'm willing to do that. I've served on the Education Committee for the last seven years, primarily because I personally think that public education is the great equalizer in our society, the ability to be able to have access to high quality publication-- public education is critical to our society, to our democracy, and to the future of our country and our state and our communities. And so I choose to dedicate my time, energy, and my preference is to dedicate state resources to addressing improving public education at every step of the way, at every avenue, and any time a problem is identified or brought up. So I am in support of other tax credits. I'm just principled in my opposition to this one. Because, again, I think that public education is the great equalizer in our society and we need to work on improving it where we identify problems and issues rather than dedicating resources to private institutions. I have an amendment that I filed earlier this morning that will make sure that any private institution that receives these types of benefits have to adhere to the same standards that our public schools have to adhere to. And so we'll talk about that in depth. I want to say a few things right away, because I've heard a few different things on the mike. First, there's only 18 states that have this and their educational outcomes are not better than ours. And we'll get into the data and the research on that. Nebraska's one of nine states that has optional enrollment and while I'm sure we can all agree maybe option enrollment isn't perfect, it does provide for a lot more educational choice and opportunity than it does other states, particularly in these metro areas where there are a lot of options. And in many cases, I think that what I see with tax credits primarily is that it is the more wealthy that benefits from those rather than lower-income kids and lower-income families that often don't know these types of things exist or the opportunities exist, or in many cases, they don't have the opportunity to have their child enrolled in those private institutions for various reasons. Or those private institutions don't actually protect the students in terms of nondiscrimination and making sure that they're in an environment where their rights are protected as individuals and human beings. And I think it's really important to note, and I've been accused of this from time to time of being anti-private school. I'm not. I went to a private school for several years as a child. I had a good experience there. It was right here in Lincoln,--

FOLEY: One minute.

MORFELD: --my grandmother lived just down the street. And I believe that she was able to pay for that through her own money. And then, you

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know, maybe she got a scholarship or two. I don't know. I was just in kindergarten and first grade then, but I received a good education there. I don't have anything against private schools, but I think private schools should remain private and I think the state should be in the business of directing resources to public schools. And if there are issues or concerns with those public schools, then we have a duty as lawmakers to ensure that we seriously address those issues. And that's where I think our time and energy should be spent. And not only our time and energy, but also our revenue and our resources. Because again, colleagues, public education in the United States is the great equalizer in our nation. We need to make sure that it is quality and we need to make sure that we stay focused on funding it and addressing issues as they come up with it. That's why I'm in opposition to LB364--

FOLEY: That's time, Senator.

MORFELD: --and I hope you'll join me. Thank you, Mr. President.

FOLEY: Thank you, Senator Morfeld. Senator DeBoer.

DeBOER: Thank you, Mr. President. Good morning, colleagues. Today, we all expect we're going to have a long day ahead of us. The Speaker has told us that this will be a possible late night. But I want to take a minute at the beginning-ish of this debate to say thank you to Senator Linehan for bringing this bill and for the passion that she brings to it. She and I disagree on this bill. That's true. But it's not because I don't think she is smart, she's incredibly smart, and I'm lucky to serve with her. It isn't because I think she's nefarious in any way. Note, she is pretty impressively, passionately committed to advocating for this type of program. This isn't partisan on her part. It is a true belief. And I think that some of the reasons that she is so committed are important for us to hear, even if we disagree on this bill. I think some of the questions she asks and the other proponents asks, these are hard questions and they're ones we should not let go. We must examine some of these hard, hard questions. Why is there an achievement gap amongst our schoolchildren? I think maybe there's something to be said that it is largely an opportunity gap. How do we make sure that low-income folks have the same opportunities, same choices for their children that wealthier folks have for their kids? I think it's a question we ought to draw out larger than just schooling, though. In what other ways are low-income children hampered by the circumstances of economics as they-- of their economics, as they develop? How can we provide lower-income families with opportunities to give their children a greater start in life? There are many more

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questions this debate will raise today, I'm sure. And I, for one, am going to listen to this debate and ponder these questions and try to find solutions. And I'm going to try and stay here in this Chamber in my chair for much of the time, which many of you know is not like me. I like to walk around and pace sometimes in the lounge as it gets loud in here, it's easier to hear and there to listen to this debate. I disagree on this bill. I try to look at it from all directions. But there are just some fundamental pieces I can't get over and I'll talk about them more as the debate continues. But I'm going to make sure when we start this debate, we frame it is what it is, a difference of opinion about how to work on an issue that means a lot to a lot of us. And as we talk, I think we can learn a lot about why Senator Linehan brought this bill and the concerns she's trying to address with it. That's one of the most amazing things about this Unicameral Legislature. Today, we will disagree on this bill, but I respect the heck out of Senator Linehan. She and I agree on a lot of bills, but it just so happens that the ones we care most about, we're usually on opposite sides of each other on. And yet I hope we-- I can say, Senator Linehan, that we're friends. I consider her a friend, and I think it speaks more to her character that she's a friend, when I oppose so often the things that she cares about most. Now why does it matter whether or not we're friends? Because I think we ought to have more of that in this country, more times when we strenuously disagree and even when we can't come to a mutual agreement, but we still learn something in the discussion. We listen. And then we have to be intellectually honest with ourselves. I've been listening to Senator Linehan and by learning why she wants to do the things she does on this bill, I've had to ask myself some pretty tough questions. I've had to change some assumptions of my own. I've had to nuance my position, all because Senator Linehan cares enough about this bill and about the idea of school choice that she has educated me. We can disagree genuinely and fervently and still something gets itself done.

FOLEY: One minute.

DeBOER: In ancient Greek, there is active voice, passive voice, and something called middle voice, which is best translated in English along the lines of something gets itself done by. So in this debate today, when we may bring out these issues, something is getting itself done. I suspect I will learn something and I will change some nuance of my opinion. There are some fundamental hard lines I'm going to run into in this bill. But no matter what happens on a vote today, this advocacy is not for nothing. Something is getting itself done in this conversation. And so it's a kind of sacred thing that we're doing here, we who are privileged enough to represent our constituents in

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this debate. We do it every day so sometimes we forget how special it is. But I wanted to stand up and say I'm honored to be included in this conversation, honored to be a part of the something--

FOLEY: That's time, Senator.

DeBOER: --which gets itself done. Thank you, Mr. President.

FOLEY: Thank you, Senator DeBoer. Senator Aguilar.

AGUILAR: Thank you, Mr. President and members. I'm also going to start off by thanking Senator Linehan for bringing this. When I served here the first time, a bill of this nature would have never got out of committee. And I think that speaks to the dedication of Senator Linehan. I'll start off telling you about an email I received yesterday, it just had one question in the email. It says: Why would you waste your time on a bill that offers scholarship to students of wealthy parents? Now that's an obvious example of the misinformation that's out there and that's what we have to fight and overcome with this bill, and I think Senator Linehan, Senator Clements did a good job of explaining that. I worked in a private school for 10 years, and during my employment, I was director of building and grounds by the way, during my employment every summer and after school during the year, I would have up to 40 kids working for me, working for me to help pay for their tuition. Trust me, those are not wealthy students. Many of those same parents volunteered every time we had a fundraiser at the school and those fundraisers were to raise money so that we could get more students to come there. One year we had two students, one black, one Latino, they had been kicked out of the public school, so they come to the central Catholic. And guess what, they both excel there. They both graduated there, they excelled academically as well as on the sports field. They were a fantastic contribution to our programs. I'll never forget those two. And they were kicked out for disciplinary reasons of the public school. Never had a problem with them disciplinary wise at our school. I say our school, but I also worked in the public school system and I'm not going to speak ill of that by any, by any means. Again, just want to thank Senator Linehan, and I would yield her any time I have left. Thank you, Mr. President.

FOLEY: Thank you, Senator Aguilar. Senator Blood. I'm sorry, you yielded to Senator Linehan.

LINEHAN: Thank you.

FOLEY: It was 2:00 yielded to you, Senator.

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LINEHAN: OK. Thank you, Senator Aguilar, I appreciate that very much. I'm just going to try and respond notes here. I agree with Senator Morfeld that there was a time, there was a time when public education was the great equalizer. It probably not that very long ago. But what has happened in America and there are studies on this, books written both by very progressive people and very conservative people. When we, when we-- in the '50s and '60s, part of it, let's be honest, was white flight. This won't be a popular thing from a senator from Elkhorn to say, but I lived in Westside, which was born out of white flight, and now I live in Elkhorn. And the builders were the same builders, guys. And they were both built on white flight. So what happened, all, all for good purposes, we wanted to desegregate our schools. That was the goal, but the exact opposite happened. They're more segregated now than they have ever been, and therefore your great equalizer is not working. I don't know, I wish Senator Wayne didn't have court this morning, but he just explained very clearly that it's not the great equalizer. And I appreciate very much everything that Senator DeBoer said this morning. But it is ironic, I think, when she asked why we have an achievement gap, maybe it's an opportunity gap. Yes, it is an opportunity gap because the people in our poorest areas in the state, and I'm not as familiar with Grand Island-- well, we do have a good example in Grand Island, too. We have Grand Island Public Schools, they are highly equalized by the state. I don't know that they're majority minority, but they're close. And then we have a suburb, suburb excuse me, and a school district that completely encircles it.

FOLEY: That's time.

LINEHAN: Thank you.

FOLEY: Thank you, Senator Linehan. Senator Blood.

BLOOD: Thank you, Mr. President. Fellow senators, friends all, I take on the challenge of being asked to connect the dots, because starting yesterday I did hours and hours and hours of research. And the more that I researched, the more questions that I had. So the first thing I looked at was the money involved. And to me, it was clear that I believe the tax break is something like 14 and a half times greater than what we give for other charitable donations. That makes zero sense to me. Then the second question I had was, aren't the monies that come into these private schools 100 percent tax free? And I think the question is yes, so I started going through my emails and I started researching all of the school choice websites that were in Nebraska and there's quite a few. And one of the things I saw is that parents often-- the parents that have kids at private schools, often

complain that they have-- that they take nothing from public schools, yet they have to support them via their tax dollars. But here's a more compelling argument. Why should public school parents be expected to support private schools through tax breaks for anyone? So I think of the school administrators get to flip through the applications of the nonwealthy kids and decide who they may give favor to and maybe who they won't give favor to, but eventually someone's going to have those gilded doors of gold opened up to them at the private school. I know what we're going to hear about today is about equity and schools that are inclusive. But frankly, many of the private schools in Nebraska are consumer products for the wealthy. If they care about equity, I say close your doors. Now, of course, we know that's not going to happen. I see an issue when we're talking about equity in public schools that's not being addressed. We know that 33 percent of students in Nebraska are minorities, but only 4.35 percent of the teachers are minorities. That's a big issue that I don't remember us addressing in the five years I've been here, but something I am definitely concerned about. So I started looking at, gosh, how do we get more kids into private school? So I printed out the list of all the tuitions for all the private schools in Nebraska, I think for a year at a lot of the, the Catholic grade schools is like \$1,200 a year. Just to kind of put it in perspective. I know Gross High School is much, much more than that, but 75 percent of the students that are attending are already receiving scholarships. Then I went to the Chance Scholarship fundraiser page for 2021. I'm guessing that at least 10 or more people are going to buy tables at that fundraiser. Do you know how much it is for a top table? Ten thousand dollars. Now we're sending lots of people to get these scholarships, I'm connecting the dots, that's what I was asked to do. Oh, and by the way, Senator McCollister, I think this is a really good place to amend LB108 based on the conversations I'm hearing today. So I do hope to see that before the end of the day. So then I went to InvestInKidsNebraska.org, and they have a great page that says misconceptions on school choice. And each topic is called a thought. And several of these topics really spoke to me. And this is why, thought number 7, only private schools have selective admission policies.

FOLEY: One minute.

BLOOD: Verbatim from the web page, not every school needs to meet the needs of every student. In fact, that's not realistic. But what we do need is diverse schools all kids can access to meet their specific educational needs. That is literally what they're saying is the reason to allow parents to not send their children to public school. Yet, they clearly say that not every school needs to meet the needs of

every student. That includes private schools with scholarships. So I'm going to continue to talk about this. But that statement confused the heck out of me. That's exactly what they're saying, is the reason that they want to do this. But yet they're saying, hey, not every school is for every kid. Well, I, I don't disagree with that. But it also says it's their expectation that every school is not meant to meet the needs of every child. Seems pretty cyclical to me. So we're going to have to figure out as we connect the dots today, are we going to talk out of both sides of our mouth.

FOLEY: That's time. Thank you, Senator Blood. Senator Briese.

BRIESE: Thank you, Mr. President. And good morning again, colleagues. I spoke earlier about the provisions of my LB531 that are contained in this AM762, I think beginning on Section, Section 15. And I, and I spoke how those provisions, I believe, are critically important in our efforts to attract residents, attract a, a workforce and really our efforts to grow our state. But I think that the provisions of AM762 relative to the Opportunity Scholarships are equally critical. And I want to speak to those provisions now. And I really want to thank Senator Linehan for her work on Opportunity Scholarships. I respect and admire and appreciate her persistence on this issue. She's worked hard on this issue for many years and she is a subject matter expert on the issue of Opportunity Scholarships. And in my view, the concept of Opportunity Scholarships is a concept whose time has come for Nebraska, a concept that can help underprivileged kids, underprivileged communities, and can help us move our state ahead. School choice can be defined in many ways, and I typically look at the three traditional ways: voucher, charter, and scholarship tax credits. I'm not a fan of the first two, but I've always been intrigued by scholarship tax credits. I think such a mechanism can be an effective use of state dollars to leverage private dollars into education funding. And that's what we have here, ultimately taking some pressure off the taxpayers. And I do believe it can improve educational outcomes in public schools. And I think there are some data to suggest that. I think Senator Morfeld suggested maybe the other way, but I think there's data that will support the position that it can improve educational outcomes in public schools. And I think this is a very reasonable approach. But yet we hear some concerns leveled at the idea that's being presented here. Some suggest we're using state dollars to support private schools. You know, if you're talking vouchers or charter schools, that may be an accurate description. But with Opportunity Scholarships, we're simply leveraging state dollars to encourage contributions to the privates, not really to support the schools. Another claim is that this is going to take dollars away from

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public education, and that just doesn't resonate with me. If that were true, then the same complaint could be leveled against every A bill we pass. If that were true, the same thing could be said about everything in the budget not directed to education. And we're only talking \$5 million here. I hate to say only, but let's compare that to TEEOSA where we dedicate a, a billion dollars a year, you know, 200 times what we're talking here. The \$5 million we're talking about here annually represents, you know, roughly one-half of 1 percent of the TEEOSA dollars. This will not harm public education one bit. And Senator Linehan has worked hard to make her amendment palatable. She's come a long ways. Her original bill started out, I believe was \$10 million annually, growing at 125 percent a year or with the potential to grow at that rate. And that could have mushroomed into \$230 million in 15 years. She has now dropped it to a fraction of that at \$5 million. Folks, you know, this is, this is nothing more than a pilot project. It's a sliver of our earlier proposals. It's not going to harm education. And we're going to know a whole lot more about this in a year or two. We're going to know if it's, if it's working like we intended or maybe it's something you're just not going to like. But, but, colleagues, this is something that a large swath of Nebraskans really want. I submit it's something we need to try. We owe it to Nebraskans. And so relative to the entire AM762, I think we owe it to Nebraskans to move this package to help move our state forward. And I would yield any time I have left to Senator Linehan, if she would like it.

FOLEY: Thank you, Senator Briese. Senator Linehan, 1:00.

LINEHAN: Thank you, Senator Briese. And I-- I'm going to use this minute to talk about his portion of this bill. We have an opportunity here to work together and do something good for everybody in the body wins. The childcare tax credit is exactly equal amount of money. Public schools with early childcare could use the money. I guess you can use it for after school programs, before school programs, childcare, three-year-olds, four-year-olds. This-- everybody wins here. And that's usually when we do our best work is when everybody agrees that we all can take something home. I, I, I don't-- we do, we do that all the time when things-- we've all agreed to let some things go. I mean, last year, LB1107 was an agreement where we had half the body that hated the other half. But we all, like, held hands and went forward.

FOLEY: Time, Senator.

LINEHAN: Because that's what we needed to do. Thank you.

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FOLEY: Thank you, Senator Linehan. Senator Brewer.

BREWER: Thank you, Mr. President. Well, I would have to agree with Senator Wayne that when I started on this issue going on five years ago, I probably would have leaned hard toward public schools and stopped there. I mean, after all, my son's a teacher, brother-in-law is a teacher, sister-in-law is a teacher, niece is a teacher. I was one of those unique individuals that went to a one-room school. We had 13 students in that one-room school. When we consolidated the schools at that time, I wasn't sure that was a great idea. Later, I come to realize that the ability to have resources like chemistry and, and a math teacher that really fully understood the principles of, of math was something that would have benefited me. So there are changes that need to happen. My challenge is that I represent 13 counties, 17,000 acres. I have a lot of the students in my district that are on busses three hours a day. As we lose population in western Nebraska, this becomes not just a, a school issue, but it comes-- becomes an economic development issue. And I think that we have to keep options available. And this, I think, is something that we have to take a look at. Again, I support public schools. If you remember, last year I championed LB1166. What did LB1166 do? It said that Loup County schools needs to stay open, even though the number of students dropped below that cap that would have forced the closing of that school. Because I wanted, for one, to make sure those students didn't have to ride unreasonable amount of distance to go to school and that, that school had the potential to, to serve a need that we had no other options for because we have few private schools in the district. I think we got to look at public schools, private church schools, homeschool, any option to help students and not put them through misery in, in wherever they live. I, I, too, wish that Senator Wayne was here. I thought he did an amazing job this morning with explaining the challenges and, and the processes that he went through. And, and I'm with him. That's exactly where I'm at. What happened this year that changed things in my district was when the parents started calling up and were angry over the Nebraska Department of Education's recently proposed new health education standards, for the first time, I saw the eroding of support for public schools. It shouldn't be a secret that these teachers-- or these parents felt that they had been sold out, that they had dabbled in an area that was none of their business. Pastors, parents, Sunday school teachers, I believe they ought to be the ones that handle religious issues and moral issues, not our public schools. And if I seem a little bit touchy on this issue in some ways, too, understand that if you go back and look at history, Native Americans do not have a great history with government schools. It is ironic that I went to the Army

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War College at Carlisle Barracks, Pennsylvania. If any of you remember, that is where we were transported to and programmed. So I would probably have plenty of reasons to dislike public schools if you wanted to let that particular burr stay with you. But public schools do a lot of great things,--

FOLEY: One minute.

BREWER: --don't get me wrong, but I think there are times when we have to step back and say, do we have an opportunity to do something good here to help more? I want parents to have the ability to make the choices that are best for the kids. And that's why I think that LB364, it gives the parents and the kids more choices, choices to line up with their family values, choices to make better educational results and choices that are more cost effective. And I, I ask that you support LB364. Thank you, Mr. President.

FOLEY: Thank you, Senator Brewer. Senator Matt Hansen.

M. HANSEN: Thank you, Mr. President. And good morning, colleagues. I rise in opposition to LB364. And although I'm listening to the debate, I plan to be engaged in the debate. I don't think I'm going to get there to my support today. I know there's-- I'm going to deviate from what I planned because there's one issue that I had on my mind that got just revived. You know, Senator Hunt, when she introduced her amendment, the very first speaker called it a hostile amendment early, said they opposed it. Granted, I haven't heard Senator Linehan speak on it directly, but said they opposed it. And this is an antidiscrimination provision for the private schools that would get this, get this-- these monies, these scholarships. Similarly, we've already heard at least one speaker, the speaker before me mention the education standards that are just a rough draft first proposal. And the opposition we got there. Colleagues, the right of LGBT people to exist, whether or not they do exist, whether or not it's appropriate for them to exist isn't a policy debate. It's people's lives. And if we are at the point where we're making it clear that they're not welcome in our public schools and we're making it clear that they are not welcome in our private schools, I don't know why we expect or surprised that people don't feel welcome in the state. I don't know why we-- it's, it's, it's not-- these are people's lives, these are-- this is a civil rights issue. This isn't like a policy debate or like a moral issue for, you know, people to talk about at home. This is whether or not people deserve to exist in our society. And with my-- the continued opposition from some of the private schools and parochial schools to antidiscrimination provisions, I get that. And I

understand that's their right. We-- whenever the parochial schools and others want exceptions to laws or whatnot, I can't say I'm uniform on that, but I understand at least where they're coming from because they're private, they're separate. But if you want to be private and separate, don't then come and ask for a dollar for dollar tax credit to have the state kind of backhand fund your schools. You know, part of the reason this is developed as a tax credit rather than a tax credit scholarship program, rather than a direct appropriation, is Nebraska has a pretty strict constitutional prohibition on directly funding private schools. And I think this even kind of certainly maybe not hitting the letter of the law, it certainly applies in the, in the spirit of the law. And in my mind, you know, it's not appropriate for the Legislature to do something indirectly that we would be prohibited from doing directly. I know we walk up to that multiple times in our tax code, but that is something that we need to be cautious about and something that I think this program would be pretty suspect. And I would be curious how the courts would view that, because we are very clearly structuring this in a way to get around that constitutional prohibition to rather than just, say, straight appropriating \$5 million. It's kind of interesting that some of the support of this bill got in the queue to call out arguments beforehand. Totally right, I get it, I've done that before. But some of the things that we've laid out, have talked about, you know, the frustrations of the failing of public schools, especially for public schools for east Omaha, particularly children, children of color, people of color. And I want to note if Senator Wayne, he's probably about getting to the courthouse, so maybe he's still listening. You know, maybe I don't agree with you 100 percent in education. Maybe haven't gotten there. But based on the bills I've brought, for example, SIDs which have a legacy of discrimination and white flight and redlining tied to them, you know, I've proposed eliminating those. We are working on trying to solve some of the housing issues. So hopefully, even if I don't agree with you on education, you still view me as an ally in the sense that I agree with you on housing. And these two issues are tied together and tied together--

FOLEY: One minute.

M. HANSEN: --thank you, Mr. President, in many different ways. You know, this isn't a problem we got into ourselves overnight and this isn't a problem we're going to solve overnight. And so my hesitation on this particular bill for a variety of issues, including discriminatory issues in a different direction and constitutional issues, not alone the stuff that I actually had written down initially that I wanted to talk about that I didn't get to about the overall

goal and focus of our tax program. So with that, I'll try and speak again after lunch. That's the way the debate's going. And with that, thank you, Mr. President.

FOLEY: Thank you, Senator Matt Hansen. Senator John Cavanaugh.

J. CAVANAUGH: Thank you, Mr. Lieutenant Governor. Well, I pushed my button right as we started, and this is my first time talking. So I think Senator Hansen is correct. It's going to be a good day with a lot of debate. So I've been thinking about what I wanted to say on this topic. And as I was driving, I was thinking about a famous Nebraskan speechwriter said a good speech has clarity, charity, levity, and brevity. So I'm going to be clear to start that I'm against LB364 and AM762, and I'm going to attempt to be charitable about my feelings and positions on religious formational education. So I went, Senator Linehan was going to ask me this, but I'll, I'll give her the bye, I went to Catholic school, St. Joan of Arc for K-12-- or I'm sorry, K-8, Creighton Prep for High School, and then the Catholic University of America. So I am intimately familiar with the parochial educational system. I send my oldest to a Catholic school and I intend to send the rest of my children. And this is a decision I made for a number of reasons. And I, I actually I think I'd rather talk about those later because I kind of want to respond to Senator Linehan pointed out a bill that I brought about earned income tax credit, and we've had a conversation about whether or not this is a sincere argument to say it's taking money away from public schools. And that is not my argument here and that it was not my argument when we're talking about corporate taxes yesterday. But we do all need to recognize that, again, money is a fungible item, which means that if I choose to spend money on something, I can't use it on something else. So we all are intimately aware with how our schools are, are funded in this state. And one of those inputs is aid from the, from the state at large. So though this is not a direct decision about cutting school funding to public schools, we do have to understand that this is a choice about money that we're going to spend that we can't spend on something else. So that's a-- that is true. And we need to have that conversation, which is true about what Senator Linehan said about my bill, which was the earned income tax credit, which in the first year would have been \$8 million. The reason I brought that bill and the reason I brought a bill about evictions, the right to counsel on evictions and the reason I brought a number of other bills is because those are investments in programs that help these same people that everyone's talking about here today. So the earned income tax credit would give a refundable tax credit to low-income people. Those are the same people we're talking about trying to give an opportunity to go to

a different school. Those people could choose to use it for that or they could choose to use it for groceries or for housing or for electricity or other necessities. And the reason that is related to this conversation and the reason that my bill about evictions is related to this conversation, which by the way had a fiscal note of about \$3 million, is that those-- when people have housing instability, when people have food instability, when children in particular become homeless, their performance suffers. So there's a study that I have here that was put out last year, and it's a housing eviction summary from the city of Omaha from 2012 to 2019. And I guess I'll just read you this part where it says: The number of evictions and elementary school attendance area correlates with the students' learning outcomes. Data for the Nebraska Student-Centered Assessment System for 2017 through 2018 and 2018 through 2019 school years shows that the 10 schools with the fewest evictions averaged 49 percent of students scoring below standards of math, science, and English assessment, compared to 67 percent for students scoring below that standard in the 10 schools with the most evictions. So what that is saying is when you have a higher eviction rate, which is essentially kids--

FOLEY: One minute.

J. CAVANAUGH: --kids becoming homeless, losing their housing, they perform worse in schools. So my fiscal note, and this is for Douglas County, my fiscal note for Douglas County was \$1 million. One million dollars, we could have improved educational outcomes by addressing evictions in Douglas County. I'll talk about this some more later today because I feel strongly about this. And the reason I brought those bills and the reason they're a consistent philosophy about dedication to improving academic, academic outcomes are that stability in home has-- is directly correlated and related to performance in schools. And so if we want to improve outcomes, if we want to give kids opportunities, we need to focus on those issues. And those are investments that we can make, and that is money that would be taken away from direct school aid. But it could be spent in a way that is going to improve outcomes in a much more measurable way than LB364 and AM762. So that is among the reasons that I'm opposed to this. But I have brought other bills that actually spend money. So I assume I'm out of time.

FOLEY: That's time.

J. CAVANAUGH: Thank you, Mr. Lieutenant Governor. I'll push my button.

FOLEY: Thank you, Senator Cavanaugh. Senator Geist.

GEIST: Yes, Mr. President, thank you. I am 100 percent in support of this bill. One of the things that I find interesting about all of us here in this body is that what we bring to the debate, what we bring to the body, is our personal experience and our background. Our personal experience forms a lot of the philosophy that we carry, whether that's our personal lifelong philosophies or our political philosophy. It makes us very diverse. And I think it helps to bring forth better policy because we can have a difference of opinion, a difference of perspective. I respect that. And I also draw from that to speak to this issue. From my personal experience, my husband and I both are products of public schools in different states. Nevertheless, still public schools. All of my children who were raised here in Lincoln attended public schools and all of my grandchildren who are old enough to attend school, attend public schools. So there is a notion, and I've had many emails about this, that you cannot support this bill and support public schools. And I'm here to reject that notion. I do support public schools. I have with my experience. I have with my life and I do with my children. However, I also, from my personal experience, have a child who would not, did not thrive in public school. We were in a different socioeconomic place in our family when our children were young and had no option of where to move this child because of the constraints of our family and our finances. Therefore, to help school this child, we hired tutors, we homeschooled all the time we had this kid in public school knowing that there was an unaffordable program that could have possibly helped him in a private school. It was just not a financial option for us. And had we had an opportunity to help him at that time, we did all we could. We did what we could afford. But this offers families that were like mine at that time, hope. And hope for a child that is just not a good fit for where they're being schooled. Would that have helped? I don't know. But offering a family hope with a \$5 million tax credit, when we look across the spectrum of what we've done in this body and the things that we allocate financial obligations to, \$5 million is so small. And again, it's a tax credit. It goes to an organization not directly through our, our current funding. And we can go into that. I'm sure Senator Linehan will, in far more eloquent terms than I could do, outline how exactly this works. But because of that, I support this bill. I, I think it's very important that those of us who are in here who might not have had an experience with a child--

FOLEY: One minute.

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GEIST: --who was not thriving, I think it's important to understand that perspective and also understand, those of you who listen publicly and who are not in this body, to understand that, that you can support the public education of children. You can also support the private education of children. And that's where I stand. Thank you, Mr. President.

FOLEY: Thank you, Senator Geist. Senator Pahls.

PAHLS: Thank you, Mr. President. As Senator Geist said that we all come to this body with certain-- maybe certain baggage. I'll just give you an idea of some of the things that happened to me in my life. I started at St. John's of Beloit, Sister Agnes, I can still remember running to her on the playground. She was just a, just a small person. I knocked her down and I went home at lunch and told my mom I knocked Sister Agnes down. And, and I thought, am I going to go to hell? Well, at the time I got back, Sister Agnes, apparently my mom had made contact with her and she got me over it. So I-- I've had some very good experiences. After a few years, moved to another town that did not have a Catholic school. So I went to a public school and I was really terrified the first time because I thought public schools, there's something about them. For some reason, I had picked up on that. But in that public school, we could say the Lord's Prayer and I went home to my mom again. You can see my mom's played a pretty important part of my life. I said, Mom, there's more words to this prayer than the Lord's Prayer. And she says, well, that's-- you pray the Catholic version and allow the Protestant version to go on. Just pray to that extent. So I learned how to compromise there. Then a little on-- little, little later on, I went off to college and at this college in this town of Hays, the Catholic school and the public schools, they shared buildings. They even shared some curriculum. I could not believe, because I thought that, that had be-- that was in my eyes pretty weird until along came Madalyn Murray, I don't know if you remember, and she sort of disrupted everything. You know, that kind of stuff didn't-- couldn't happen anymore. You couldn't pray in school, etcetera, etcetera. She's one of those people that instigated that. After college, my first teaching job was in Kansas in 1968. They were unified in '68. I taught at Nemaha Valley Schools 442. It's for those of you who may know, like, Seneca, Kansas. There's a little town outside of it called Kelly. Nothing there but a school. Guess what? It was a Catholic school. Guess what? They became part of the school district. They became public my first few years because they didn't have enough-- was a nun. My principal was a nun and a couple of the sisters in the, in the building. Well, I left Kansas, went up to Atkinson, Nebraska, and I taught there in the public schools. And in

the middle schools, go to show you, I coached girls volleyball in Atkinson Middle School. St. Joseph's Catholic School did not have a volleyball, so they asked me to do it. So I coached both of those teams. The interesting thing about it, in a tournament, I would sit on the side and both teams would play without their coach there. And I actually think they probably did better because they, they weren't concerned about me, because I probably at the time probably did a little bit of yelling. I've had some good experiences with the Catholic Church and probably some that are not so good. And I'll talk about those at another time. But I've been a public school educator for 30-plus years and I see the value of that. I am going to present an amendment that will do more than what just this bill does, because this bill is going to only take care of a few individuals. I say we ought to take care of many more. So I'm going to take a different approach and I will bring that amendment forth in a, a few minutes. I'm trying to get everything cleaned up. You can see it's probably a little bit of hurried. Mr. Speaker, how, how much time do I have left?

FOLEY: One minute.

PAHLS: OK. The next thing I'll do, since I have a different audience out there, I'll be talking about taxes since the editorial today really got on some of us because we didn't vote for the property tax cut this past week. And the ironic thing, they weren't here on the floor. The reason why we didn't, none of us, some of us did not vote because we didn't trust the leadership. Let's get with it. I want property tax and I'm going to tell you why. I'm going to run off-- I'm going to start and go as fast as I can: Hamilton, Saline, Dakota, Cuming, Butler, Phelps, Colfax, Jefferson, Antelope, Knox, Cedar, Wayne, Clay, Fillmore, Burt, Keith, Cheyenne, Kearney, Box Butte, Merrick, Pierce, Boone, Cherry, Stanton, Polk, Richardson, Red Willow, Deuel, Dixon, Howard, Thayer, Morrill, Nemaha, Sheridan, Dawes, Chase, Thurston, Valley, Nuckolls, Furnas, Johnson, Webster, Nance, Franklin, Perkins, Harlan, Kimball, Sherman, Greeley, Brown, Frontier, Gosper, Pawnee, Hitchcock, Dundy, Garden, Rock, Sioux--

FOLEY: That's time.

PAHLS: --Boyd, Garfield, and, and seven, eight more.

FOLEY: That's time, Senator. Thank you, Senator Pahls. Senator Machaela Cavanaugh.

M. CAVANAUGH: Thank you, Mr. Lieutenant Governor. Good morning, colleagues. I-- wow, it's 11:00. I've been in the queue for a while.

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OK, so I definitely support Senator Hunt's amendment. Anything that can create more protections for people that aren't currently covered, I 100 percent support. I oppose AM762 and LB364. And I very much appreciate Senator Linehan. She, she even just came over to speak with me about it. And I feel like we're having a good conversation about it. So Senator Wayne talked about tax credits and how there's been a few people who have been consistently against tax credits. I am consistently against tax credits. And this tax credit, and I, I also I appreciate Senator Linehan said she's willing to work on this, but as it is right now, there's nothing that would stop a company with a tax liability of over \$10 million making a \$5 million donation or even making-- a, a company with a \$50 million tax liability making a, a \$10 or a \$25 million donation and spreading it out over five years. There's nothing stopping that from just one entity getting this credit. So it's not about, it's not about what the dollars are, are being used for necessarily, though I will get to that eventually. But it is about this tax credit and, and incentivizing philanthropy in a very specific way that really benefits wealthy Nebraskans. Now I do want to make a plug for the Children's Scholarship Fund, if, if people who are watching at home right now really, truly believe in giving children the opportunity, giving parents the opportunity to have the choice to send your child to a private school, I highly recommend that you make a donation to the Children's Scholarship Fund because they provide scholarships, just as we're talking about. But this doesn't actually help kids with the opportunity gap, assuming that the opportunity gap is because you don't get to go to a certain school is a lack of understanding of what the opportunity gap is. The opportunity gap isn't where you show up to school. It's all the things that happen in your life before you even enter the school. It's did you get to eat? Did you get breakfast? Did you get to brush your teeth? Did you get to go see your doctor, your pediatrician? Did you get your vaccinations? Did you have shoes? It's raining out. Do your shoes have holes in them? Is your parent's car working? Is the bus on time? Do you have heat? Do you have a home? The opportunity gap isn't about the school. The opportunity gap is about all of the things in that child's life that gets them starting from negative ten before the day even begins. Now Senator Brandt has a bill that we'll probably get to this evening that addresses part of that, the LIHEAP bill for energy assistance. Senator Hunt had a bill yesterday for safe and sick leave that helps when parents need to take time off because they're sick or because their child is sick. I have a bill that-- that's paid family medical leave that make sure that children who have a parent who works an hourly job, if they get injured, they can have their parent--

FOLEY: One minute.

M. CAVANAUGH: --with them. Senator McCollister has a bill for SNAP, giving people access to food. We have backpack programs to help with the opportunity gap. We have programs in Omaha where kids literally get a backpack full of food on Fridays to take home with them so that when they're away from school, they're not starving. That's the opportunity gap. It's not whether or not you get to go to a private school or a public school. Both have great assets and both have great deficiencies. I love my public school. I love the school that my girls go to. I also love the school that I went to growing up. And I really love the all girls high schools that we have in Omaha, we have three of them and former Senator Sara Howard and I always had a nice little fight because she went to Duchesne and I went to Marian. And so we always talked about which one was better.

FOLEY: It's time.

M. CAVANAUGH: Oh, time?

FOLEY: Yes.

M. CAVANAUGH: OK, thank you.

FOLEY: Thank you, Senator Cavanaugh. Senator Flood. Is Senator-- Senator Flood's off the floor at a meeting, I believe. We'll move to Senator Linehan.

LINEHAN: Thank you, Mr. President. So I'm going to, I know this probably is kind of boring, but I'm just going to go over some facts on special ed because there's a lot of misinformation. And I think it's good. There are actually people that sit at home and watch us. Sometimes very entertaining, but this is not going to be, but it is factual. Nebraska private schools take students with special needs. Like public schools, the percentage of special education students varies based on various factors: students beginning services, student exiting services, students moving, changing demographics, and more. Nebraska's private schools receive no money to serve students with special needs, whether it's IDEA, Title I, or state funds. What the best the private schools can hope for from government funding is equitable services, which is actually the law, by the way, in cooperation with their local public school district. And as Senator Hunt mentioned, several of us visited private schools, not this last Monday, but the Monday before, and they were quick to say that Omaha Public Schools works with them and helps provide the services for the

special-ed kids. The IDEA grant to Nebraska public schools for 2020 was \$73.2 million, so that's federal money, \$73.2 million. An additional \$231 million was appropriated from state General Funds to public schools for special education, age reimbursement. And we all know that that is not enough. We don't do enough on special ed, but at least we do something for public schools. Many claim that private schools do not take all students with need. They, they can't. It's not that they don't want to. As a matter of fact, if you look at the history of special needs children, it's, it's pretty startling because many of us since we've had that whole Social Security talk we know that some of it's been around for a while. IDEA as it is in law today did not pass until 1975. So what did parents do with special needs children before 1975? Well, in Omaha, starting in 1870, three years after Nebraska's statehood, the St. James Orphanage, run by the Sisters of Mercy, began caring for dependent and neglected children as young as two years old, often a capacity of 200 children. And in 1927, St. James became the first facility to offer pediatric nursing with 41 beds for infants installed. In 1960, Sister Mary Evangeline Randolph, a member of the Sisters of Mercy, was teaching three students at St. James Orphanage who could not be served by local schools due to their disabilities. Responding to the needs of these children and others like them, she founded Madonna, one of the first schools in Nebraska to educate children with intellectual and development disabilities, providing a place where they could learn, grow, and belong. For years, Omaha Public Schools and many other Omaha Public School districts relied upon Madonna to teach their students with special needs, as provided in Nebraska amendment. Only when public schools began to receive adequate federal and state funding-- I might not have said adequate, but receive--

FOLEY: One minute.

LINEHAN: --federal and state funding for the mandatory education of children with special needs, were these public school districts able to build their own comprehensive SPED programs and end the relationship with Madonna. However, today Madonna private school continues to partner with local public school districts who do not have a level of SPED services, which Madonna provides. Madonna currently contracts with Gretna, Yutan, Bennington, and Weeping Water Public Schools. These public schools look to Madonna as a special education service agency. Madonna is further working to fill its mission of service to children with special needs by expanding special education programs, programs in Omaha Catholic Schools, programs currently piloted at St. Pius and St. Leo's.

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HILGERS: That's time, Senator.

LINEHAN: Thank you.

HILGERS: Thank you, Senator Linehan. Senator McKinney, you're recognized.

McKINNEY: Thank you, Mr. Speaker. I rise today because I think, you know, this conversation started off and, you know, it speaks of the achievement gap in our school systems. And went to school in OPS my whole life, I think I went to probably six elementary. I went to middle school in OPS and high school. And I also, you know, coach students in OPS with a youth club and with the wrestling team at Omaha North. And I ran because I think we have to do something to, to, you know, decrease the achievement gap. Am I sure this is the solution? I don't know. My biggest issue with this is I had conversations with parents in my district, people that went to private schools growing up, and a lot of them, well, the recurrent theme was discrimination and racism in Catholic schools and private schools being placed in, in rooms by yourself for your whole time at, at certain schools. And that's something I have issue with. I think all kids should have the opportunity to go wherever they want, but I definitely don't support sending them to institutions that's going to discriminate against them and are inherently racist and haven't necessarily stood for my community ever. Our, our, our public schools have a lot that they need to improve with. I'm not going to disagree with that, but I don't know if this is the silver bullet that's going to solve the achievement gap because of all the stories I've heard of kids being sent away from these schools back to alternative schools and OPS because those private institutions refuse to deal with them. And that's, that's tough for me. Yes, I you know, I think kids should go wherever they want to go, but I'm not for funding something that sends them to institutions that are racist or discriminatory. And it's tough because even while I was running, I've talked to parents that want a choice, want an alternative to OPS because they don't feel like OPS is meeting their needs. It's true. There's a lot of parents in my district that feel that way because historically test scores and, and things like that have been horrible for students growing up in my district. I mean, I've told a story I got to UNO and I felt stupid because I felt like I was behind my peers. And luckily I was wrestling and I had some support to help me get through my first year of college because I didn't know how to study. I didn't know how to write a paper necessarily. But I also have friends that went to these other institutions and the common theme is discrimination and racism. And that's where I'm at. I, I can't support it because of that, because

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not only do the public school system need improvement, the private school and Catholic school system needs improvement because of racism and discrimination. And, and that's where I'm at, I, I think both public and private needs improvement. Right now, I don't see one being better than the other because kids deal with racism in public schools and they deal with racism in--

HILGERS: One minute.

McKINNEY: --private schools. We have to fix the entire educational system in this state and in this country. I don't think it matters if a kid goes to prep or North High. If we have educators in these schools that don't care about the student or just send them out because we don't feel like dealing with them, I don't see which is the best, honestly. But right now I'm a no on this bill because until somebody explains to me how we're going to improve both systems and decrease the amount of racism and discrimination on both sides, I don't see how I can just support this bill because it's not the magic bullet for students in my community. Thank you.

HILGERS: Thank you, Senator McKinney. Senator Groene, you're recognized.

GROENE: Thank you. Like to make some points, of course. As far as this is new, this isn't new. I can right now write a check to St. Pat's, the Lutheran School, the Baptist School in North Platte and write it off as a donation and get a tax credit of 6.84 percent of my income taxes. We already do this. Any of you could write a check. All this is, is an increased tax reduction, that's all this is, we already do it. So this is nothing new. As far as what I learned about option enrollment, I used to be a big, big fan of it, then I realized what it was, an extension of affluent flight, of white flight. So you weren't lucky enough to be included in the boundaries of Westside or Millard and you live in OPS and you got the whereabouts to get your kid to Millard or Westside, or the kid is athletically gifted enough that you can win a state championship in basketball. You get accepted into Millard or Westside. But what about the poor kid? The poor families? They don't have the whereabouts, they're trying to get to work, working odd hours. They can't get their kid to Millard. They have no choice. They have no choices. But let me tell you where the Catholic schools exist in Omaha, in the poor neighborhoods, the old established churches. Now there's an option for the minority kid with poverty in the parent. There's an option, walking distance. Let's give another option, let's finally give an option to the poor kids in these neighborhoods. I got North Platte. We have the highest, second highest

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in the state of option-out students. We got a lot of poverty because we're a railroad town, discipline problems because the teachers can't control the classroom, which hopefully we can fix this year. They option out. Guess who stays? And I defend North Platte High School's test scores because that's what they're left with, children with problems, home problems. They don't get the backup of a community like a private school offers that family. The other kids option out. White flight, affluent flight. That's what option enrollment was created for. You tell it's a choice. It's not a choice. *Espinosa v. Montana*, I signed on to that when I was the Ed Chair. It threw out, Supreme Court did some of this private money, public money going to educating children. That's what we're talking about here, children. Who is behind all of the opposition? The establishment, the administrators, the school union, those who profit, profit, and that is the right word for more tax dollars going to public education. It's got nothing to do with children. This has to do with children, with children. I've always said a third grader always only has one chance at reading. They can't wait till next year. They only got one chance. They're only a third grader once. We have an opportunity to give that kid in north Omaha, that kid on the north to the tracks in North Platte, an option. That's what we have here. The child, the child, the child, the child, not the union, the union, the union and the administrators who just got a big raise in, in, in Lincoln. Senator Morfeld, your organization gets \$180,000 or more from the LPS as a contract. Should we outlaw that, a private organization going into the schools and preaching their, their political viewpoints?

HILGERS: One minute.

GROENE: Should it be religious or should it be all viewpoints out of the public school? This is about kids, this is about an option. I-- breaks my heart that St. Mary's kids over here across the street used to come in here and as most diverse group I ever seen, greatest kids I ever met, that school's gone. That opportunity for the kids in the poverty of this area, this Capitol sits in a poverty area is gone because the union didn't like it. The administrators didn't like it. They want all the money. Kids, they can find their way through life. Thank you. This-- I'm green on LB364 and AM4-- AM762.

HILGERS: Thank you, Senator Groene. Senator Lathrop, you're recognized.

LATHROP: Thank you, Mr. President. Colleagues, good morning. I've listened to the debate today and everyone is trying desperately to frame this in one way or another. Some are saying we're taking money

from public education. I don't think that's the case. We have an awful lot of people, as Senator Groene just did, stand up and say, this is about the kids. I, I was invited by Senator Linehan to tour Holy Name, Holy Name is one of the schools that would benefit from this process. They're part of a group of three Catholic schools in predominantly eastern part of the city of Omaha called CUES. That's sort of the overarching fundraising organization that supports these three schools. Let me tell you, that's where all the Lathrop's went. I'm one of nine. I went to Holy Name for grade school and then on to Roncalli for high school. And man, was it impressive. When I was at Holy Name, it was still a parish that was predominantly white people, old-fashioned Catholics, if you will, the Lathrop's had nine kids. There were families with more kids than the Lathrop's, some with fewer, a lot of them with six. So it was that kind of a parish and that kind of a place. And the school at the time, I went to grade school there, it had a high school as well. It was that old-fashioned Catholic parish that served the Catholic parishioners and their kids went to school there. And now it's much different. Now it's much different. And, and because the neighborhood is turned over, it is not predominantly white. The students in that area are predominantly students of color. And Holy Name now serves an awful lot, a majority of the kids, a vast majority of the kids are kids of color. Most of them are there on scholarships. And I, I have to tell you, when I walked through the halls of my old grade school and I saw, frankly, very few white faces in the students, they were immigrant children, they are black children, they are Hispanic children, they are Asian children. And you know what? A minority of those kids are Catholic. And so to the, to the people at Holy Name, Sacred Heart, and All Saints that are educating these children, I say they're doing a remarkable thing. They're doing a remarkable thing. I have their, their-- because I donate money to them, I get their annual report. It's on-- it's at my, my place if you want to take a look at it, shows some of the demographics. I am so impressed with what they do. And so you think I'm about to stand up and say I support this. I don't. I don't because, colleagues, they're getting it done with donations, they don't need a tax credit. The only reason we're talking about tax credits is about a broader, a broader issue, and that's ultimately having charter schools in the state. And I think it's timely and I very much appreciate that we're having this conversation right now, because over the last couple of weeks, we've talked about education, we've talked about property tax relief, we've talked about the TEEOSA formula. And I can't help but think that what we should be having a conversation about is why do kids need choice in the first place? Why is it that we don't aspire to have OPS and every one of the schools

that are operated by OPS or by Ralston, which has a similar demographic to OPS, why do we not stand here and say we are going to make that commitment to our public school system so that whatever they're doing well at Holy Name right now, we should do in every one of our public schools? Instead, were dead last in state aid to, to our public schools. Last. We have rural areas that get nothing. And then we stand here and we offer up and pass revenue cutting measures. I remember when I was here the first time there was a push by I think it was Senator Lautenbaugh to reduce the size of the OPS School Board. That-- it was amazing to me, that was going to be the solution.

HILGERS: One minute.

LATHROP: So we passed a bill that eliminated or reduced the size of the OPS School Board like we'd solve the problem. It didn't. There's a problem. These children, these children that we all care about, the people that support this bill and the people that oppose this bill, we all care about the same thing, educating these children well. So what have we got to do to educate them well? If somebody is doing a better job than we are, we ought to see what they're doing right. These folks have 16 kids in a classroom. They also have the parents there where 93 percent of them participate in parent-teacher conferences. They're doing something right and we ought to figure out what it is and improve the standard of public education rather than suggesting that we need to open another avenue for people whose children's needs aren't being met. And we should have that conversation when we're talking about property tax relief, when we're talking about exemptions and credits--

HILGERS: That's time, Senator.

LATHROP: --and all the other things. Thank you.

HILGERS: Thank you, Senator Lathrop. Senator Hilkemann, you're recognized.

HILKEMANN: Thank you, Mr. Speaker. What a difficult task to follow Senator Lathrop who spoke so eloquently on this, and I was at the same tour that Senator Lathrop was on, and it was inspirational to see these young kids at, at Holy Name School. First of all, I really want to, I want to give a shout out to our public school teachers. It's been a hard, hard year. And as I talked with several administrators [INAUDIBLE] to a person, our teachers have worked harder this year than they've ever worked before and we've expected more of them than they've ever worked before. And so I thank all of those public school

teachers out here who some of them certainly didn't want to be in the schools that wanted to be home, maybe, but they went and continued to do their job to educate our, our youth and our students. And I thank you for that. I also want to thank all of those teachers who choose to teach in parochial schools. My wife taught at an all girls Catholic school in Rolling Meadows, Illinois, while I was going to podiatric medical school. She loved her four years at Sacred Heart of Mary and she just thought that was a great opportunity to teach in a parochial school. I also want to thank all of those people who choose to educate their children at home as homeschoolers. I have had the opportunity to judge some of the debates of these homeschoolers. These, these, these are really outstanding students. And you talk about a commitment that parents make to teach their kids at home, that is a huge, huge commitment, and I celebrate that you had the opportunity in the state of Nebraska to do homeschooling. Do we have perfect choice across this state? Probably not perfect choice, but we do have choice. I'm a very firm believer in choice. That's why in 19-- in 2017, I brought LB118 to establish educational savings accounts that would have benefited public, private, and homeschool families, giving them truly the opportunity to, to save money and to help the-- unfortunately, that bill never, ever saw the light of day and never got out of the committee. I'm concerned about this program for one reason, and that is, is that we are starting another state-funded line item. And once as a fiscal conservative, once you start a program, it's on that, but it's so hard to get rid of it. Now this year we're saying it's \$5 million. At one point we were talking, and I think several years ago it was up as high as \$50 million. I, I, I like to, to, to remind folks that in 2007 we started what we call a property tax credit program, which was at \$105 million. Now it's a line item and it's at \$1.4 billion. These programs, once they get started, they continue to grow. Hopefully, even-- so that's a concern that I have.

HILGERS: One minute.

HILKEMANN: Let me follow up with what Senator Lathrop was talking about. I went to Holy Name the other day. It's a wonderful program. I saw ten students, one teacher in several of these areas. And I thought, you know, if our public schools had a ten to one teacher ratio, possibly our-- their test scores would be different. I went to the Omaha Street School, which is for those students who have not made it at any other public schools. When I was the chairman of our church mission project, we gave a considerable donation from our church mission to the Omaha Street School. And I'm with Senator Lathrop there, these are deductible items that people are choosing to support and they should. If you are giving money to those programs, you are--

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HILGERS: That's time, Senator.

HILKEMANN: --spending your money well.

HILGERS: That's time, Senator. Thank you, Senator Hilkemann.

HILKEMANN: Thank you.

HILGERS: Senator Pansing Brooks, you're recognized.

PANSING BROOKS: Thank you, Mr. Speaker. Well, I, too, went to the schools with Senator Linehan. We had a great time. We went a couple of years ago to look at reading and dyslexia across the state. And we saw great things happening in the public schools. And I, I think she would agree to that, that, that we saw good things in the public schools. And then last week, we went to the-- I went-- I joined the group going to the Catholic schools and saw great things happening there, too. I loved those kids. I was able to get down and I have darling pictures of Denicia [PHONETIC] and Laurel [PHONETIC]. They're darling. My issue is, again, with the fact that we are using state dollars because that's what a, a tax, tax credit is. Tax credit means lack of money, unlike deductions, which reduce the actual amount of taxable income. Tax credits reduce the amount of tax owed to the government. That's actual dollars to our government. And Senator Linehan came to me and showed me yesterday or the day before that, that, that the-- let's see, the First, the Fourth Amendment, no-- amendments one to four talk about religious freedom in, in our Nebraska Constitution. And at the end, it says: It shall be the duty of the Legislature to pass suitable laws to protect every religious denomination in the peaceable enjoyment of its own mode of, of public worship and to encourage schools and the means of instruction. Then if you go down because it's not in our constitution here that you have in your book, but if you look online, it quotes the cases that, that have been-- that have come up regarding schools and payments of public dollars to private institutions. And one, one law talks about the fact that reading in public schools of passages from the Bible, singing of hymns, and offering prayer in accordance with the doctrines of sectarian churches is forbidden by the constitution. That's the State v. Freeman-- or state related to Freeman v. Sheve, and then another case says use of state funds to support a school maintained by religious denomination is in violation of this section of the constitution. State related to Public School District No. 6 of Cedar County v. Taylor. So, again, I'm not making-- the problem is people are talking about the children. And I'll tell you what, I will fight for children every single time. But a number of people have said it right. Those schools that we saw, they

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had, they had 12 to 15 students. Let's all commit right here, right now that we will make sure that our public schools have 12 to 15 students in every single class, 12 to 15. I'll tell you what, we're going to have a lot less problems. We're going to have a lot more opportunity. We're going to have a lot more ability for these kids to grow and thrive and be cared for. And teachers will be able to look over the class and stop bullying in, in a better way because they aren't dealing with 35 kids. That's what's going on with the public schools right now. So I'm happy to commit right now that we will pay more money to make sure that our classes are smaller. And my next time on, on the mike--

HILGERS: One minute.

PANSING BROOKS: --I'm going to ask each of you about whether or not you're willing to commit to make our classes smaller. I, I can't get by without discussing Senator Hunt's amendment on discrimination. I know that Senator Linehan has passed out an article talking about discrimination, how some kids discriminated are protected and thrive. And that's awesome. But what is the number one issue that the Catholic Conference comes to fight to us about? Workplace equity for LGBTQ, people like my son. All they want to do is-- and, and, and if that's at the top, what's happening is it trickles down to the bottom to those little kids. Thank you, Mr. Speaker.

HILGERS: Thank you, Senator Pansing Brooks. Senator Day, you're recognized.

DAY: Thank you, Mr. President. And good morning, colleagues. I'll be totally honest. I've kind of been dreading this day since I was elected. I knew this bill would eventually come up. And over the last couple of weeks, I've been dreading it even more, partially because, as I've said before on the mike, I've had the opportunity to get to know Senator Linehan over the last three months of being a new senator. And I have an enormous amount of respect for her as a person, for her as a senator, as a mother, as a grandmother. I, I think the world of Senator Linehan and the job that she does here in the Nebraska Legislature. And so it's-- I knew today was going to be difficult from that respect and knowing that she spent the last five years working really, really hard on this. Those facts alone would encourage me to support this bill just because, you know, I think a lot of people sitting at home, not watching the Legislature, watching-- they, they don't see the conversations that are happening underneath the balcony off the mike. They don't see the relationships that are forged between senators from different parties, from

different backgrounds, from different areas of the state. And that's a really important part of what we do here in the Legislature. So I knew today was going to be tough for me because I am strongly opposed to LB364. And, you know, I spent the, I spent the last weekend dealing with a lot of really awful, cruel, nasty comments via email, via social media over a vote last week. People criticized my intelligence. They criticized my experience as a legislator. They criticized my appearance. They called me names. And it was a really, really awful weekend for me. And so because of all of that, you know, I spent a lot of time thinking about, you know, what, what influences my voting decisions in here. Like I said, building these relationships is really important to me. Getting to know my colleagues and getting to know my fellow senators as humans and as people, I think is a really important part of the job that we do in here. And so I do take that into account when I make decisions about bills. But I had to ask myself, you know what, when I'm sitting here at my desk and I'm not quite sure what to do. You know, I feel really strongly about Senator Linehan, she's a wonderful person. I know she truly believes in this bill. And I think her heart is in the right place. But also, I feel very strongly about this bill in the opposite direction. You know, what's my, what's my North Star, I guess? What do I look at and what is my bottom line when it comes to when I have a difficult decision to make on a bill, where do I go to? And I was sitting watching my son play baseball on Sunday. He's 12 and he was pitching that day. And for a very brief maybe 10 or 15 minutes, I forgot about the comments online and I forgot about the nasty names that I was being called. And it was kind of a really nice break for me. And I knew in that moment that my North Star was my kids. I knew that when I had to make really difficult decisions about bills like today, that my North Star is my children. So I made the decision to go to Walgreens and have a couple of photos printed out--

HILGERS: One minute.

DAY: --and put them in frames. Did you say one minute?

HILGERS: One minute.

DAY: OK, thank you. And put them in frames. And I was going to set them on my desk because I knew today was coming and I knew it was going to be tough. But I have my pictures of Canyon and I have my pictures of Noah to kind of get me through the day today to keep me focused on my North Star. And that's why at the end of the day, I have to oppose LB364. I have two beautiful, wonderful children who attend Millard Public Schools, and I feel very strongly about my opposition to this bill. I have yet to see any evidence that if we implemented

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something like LB364 in Nebraska, that it would not negatively impact the education my kids and other kids are receiving in public schools, in particular the public schools in my district, Millard Public Schools, Gretna Public Schools, and--

HILGERS: That's time, Senator.

DAY: --Papillion La Vista. Thank you.

HILGERS: Thank you, Senator Day. Senator Moser, you're recognized.

MOSER: Thank you, Mr. Speaker. Well, it's certainly a controversial bill. To me, the fundamentals are pretty plain. When I was running, I was asked by a number of, of people in the lobby, you know what I thought about school vouchers and, and funding for private schools. And my answer was, is that I thought those might be acceptable, except that we didn't have the money to, to spend on it. So, you know, I wasn't going to support that at the time I was running. Those times are better now. The schools in my district are great schools, the public schools, the private schools. I had children that went to private school and I had one daughter that went to the public school and they all did very well. They're all successful on their own and I'm proud of them. And so I don't think this is a, a in any way intended to disparage any of the schools in my district. But one of the reasons that the school that my two daughters went to had smaller class sizes was because the teachers work for considerably less pay working in a private school and the cost per student is lower throughout the whole, the whole system, not just the teacher pay, but the teachers do it because they love it. And another fact in my district is that around 40 percent of the kids are on free and reduced lunch. And so what I like about this bill is that some of those, if they wanted to go to a private school, might be able to get a scholarship to pay for part of that tuition. And so to me, it's a way for students from poorer families to have the opportunity to go to a private school, whether that's the Catholic School, the Lutheran School, the Christian School. There's a Bible Baptist School in my district that's top notch. And so I, I just don't know how you can frame this that how you would not support it. It's about the poorer students being able to get a better education and the cost of it is so minuscule compared to what we spend on public schools. The private schools do get a book lending program that's a benefit from the-- it's a public benefit for private schools. The land lease amounts are apportioned by student and they're given to the public schools. But a lot of those students in my district are going to private schools. So the, the public schools get the benefit of that \$312 or whatever it is

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per student. I think the system works, but I, I support-- I think the education system works well in my district. I don't think there's anything that I would-- that I want to point out that's a problem. But I think that allowing poorer students the opportunity to go to a, a better school--

HILGERS: One minute.

MOSER: --is, is a great program. And that's why I support it, so. And I hope that Senator Linehan is able to get together a coalition to move this forward. I admire her for sticking her neck out there and fighting for this. Thank you, Mr. President.

HILGERS: Thank you, Senator Moser. Mr. Clerk for a motion.

ASSISTANT CLERK: Mr. President, Senator Machaela Cavanaugh would move to recommit LB364 to committee.

HILGERS: Senator Machaela Cavanaugh, you're recognized to open on your motion.

M. CAVANAUGH: Thank you, Mr. Speaker. Do I have ten minutes?

HILGERS: Ten minutes. That's right.

M. CAVANAUGH: OK. Thank you very much. So the queue is quite long and instead of going eight hours on this bill, I wanted to give us as a body the opportunity to pause on this bill and we can recommit it to committee, committee can kick it back out if they want. But this would be us taking the opportunity to just move forward with the rest of the agenda if we were to vote on the recommit to committee. So that's why I have chosen to put that motion up. The conversation has around, around, around this bill has, has begun to make me very uncomfortable. Everyday I strive to be a better version of myself, everyday I strive to challenge myself to, to question the things that I do and the things that I say. And I also try to keep at the top of my mind that I am a woman in politics and as a woman in politics treated a certain way, which is frustrating for most women in politics. But I am also white, and with that comes privilege. Inherently, that comes privilege. And I exist in a society that benefits people who are white. I benefit from being white. Now I don't necessarily financially benefit because I have very little money, but that's because of choices that I've made like working here. But I'm white and because I'm white, I benefit from the system. I have always had good healthcare. I've had good health outcomes. I have a, a nice house in a safe neighborhood, unless the police are there tear gassing, which

they did in June, but otherwise my neighborhood's pretty safe. And all of this is because of the privilege of being white. Now I bring this up because the conversation we're having here about the children is becoming what I think is termed benevolent racism. So I would really challenge us as a body to rethink this conversation and how we're talking about the children that we're trying to serve. Because just because you're a black child doesn't mean that you need a bunch of white people making sure that you can go to a private school. I'm not saying that a private school isn't a good option for that child, but I would like us to just pause on how we're talking about these kids, like we're going to save them with our whiteness and our religion. And I don't think that that's the intention, but that is definitely the conversation that I'm hearing. And I, I, I think it's important to name that. Education is the great equalizer. But we still need to face the opportunity gap for low-income children, for that child, black, brown, or white that shows up to the classroom and hasn't had a home to sleep in the night before. We need to be solving the real problems facing children in the opportunity gap. I don't like the term achievement gap, achievement gap is somebody's standard. Are you achieving your full potential or not? Everyone's achievement potential is different. My brother went to law school. I did not. Does that mean that I didn't bridge that achievement gap? Everyone's potential is different and different is OK, but everyone should have the same opportunities. So getting back to the tax credit and the reason that I don't like this bill. Well, first of all, I don't like tax credits. Well-established, Senator Machaela Cavanaugh does not like tax credits. Second of all, every single spare penny in this body should go to serve the waitlist for developmental disabilities. If we have \$5 million to spare, we have \$5 million to put in the developmental disabilities waitlist or the family support waiver to help families in need, families that would also be getting these scholarships, because we just talked about how a lot of these kids have IEPs. Well, kids who have IEPs can also be on the waiver waitlist. We've got a series of patchwork, hodgepodge, mishmash, gobbledygook, and we don't have a plan, we don't have a plan in this body. We don't have a plan on how to solve the problems that are facing low-income children. We don't have a plan on how to address the opportunity gap. We don't have a plan on how to address property taxes. We just have a whole bunch of different bills with no cohesion, no strategy. When you work in a nonprofit, as I have several-- for a great deal of my adult life, you work on strategic plans, you have a multiyear plan and you work towards that end. And you also, much like in the Legislature, have to have a balanced budget. You can't have debt. You're a nonprofit. You have, like, you just have what you have and you spend what you have

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and you don't spend more than what you have because you can't because you don't have it. So maybe instead of running the state like a business, we should run the state like a nonprofit because a nonprofit has zero fat, they can't, they can't afford to, to have bloated budgets. A nonprofit has to be agile, nimble, strategic. They have to plan. A nonprofit has to put together all of their priorities and then figure out how they can achieve them and in what order they should prioritize them, not the gobbledygook alphabet soup that we've got going on here this week. My goodness, this week has been beyond bizarre. From minute to minute, we have a different massive fiscal note, which I would also like to pause and note, these fiscal notes are bananas. I can't get anything out of a committee that has a fiscal note. I, I could have a fiscal note of \$5 and I guarantee it would not come out of committee because it's mine. But we can have multimillion dollar fiscal notes for everyone else's stuff if you have the right letter after your name. I appreciate very much Senator Linehan's passion to, to bring diverse opportunities for education to the children of Nebraska. I disagree fundamentally with this bill. I disagree with tax credits for the rich. If the wealthy want to make a donation, they should make a donation. We should not be incentivizing them to make a donation dollar for dollar. It's immoral to do that. That is the entire purpose of nonprofits, that's the entire purpose of donations and getting--

HILGERS: One minute.

M. CAVANAUGH: --thank you-- and getting to deduct those from your taxes. We're not offering the same thing for public schools, nor should we. If you want to make a donation, make a donation. Put it on your taxes, but don't take money out of the state revenue and give it to wealthy people as a dollar for dollar credit for making a donation for what you deem to be an appropriate use of \$5 million. An appropriate use of \$5 million for me is DD, developmental disabilities. If you want to pay \$5 million of state money for developmental disabilities, let's do that. But I can't get any of you to engage on that. That's not worth our time. But I've got time today and I'm going to take it. Thank you.

HILGERS: Thank you, Senator Cavanaugh. Mr. Clerk for items.

CLERK: Mr. President, new resolution, LR112 by Senator Lowe, that'll be laid over. Enrollment and Review reports LB247A, LB411A, LB428A to Select File. Senator Matt Hansen would like to add his name to LB131 and LB392 as a co-introducer. Health Committee will have an Executive

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Session following their hearing today. And Mr. President, Senator Lathrop would move to recess the body until 1:30 p.m.

HILGERS: Colleagues, we'll keep the queue here for when we come back after 1:30. We have a number of senators in the queue. We'll start with Senator Albrecht, Senator Wishart, and Senator McDonnell, and we'll come back at 1:30. You've heard the motion. All those in favor say aye. Opposed say nay. We are in recess.

[RECESS]

HUGHES: Good afternoon, ladies and gentlemen. Welcome to the George W. Norris Legislative Chamber. The afternoon session is about to reconvene. Senators, please record your presence. Roll call. Mr. Clerk, please record.

CLERK: I have a quorum present, Mr. President.

HUGHES: Thank you, Mr. Clerk. Do you have any items for the record?

CLERK: I have nothing at this time, Mr. President.

HUGHES: Thank you, Mr. Clerk. We'll proceed.

CLERK: Mr. President, returning to LB364. The bill has been opened on, committee amendments and an amendment to those amendments are pending, as is a motion to recommit. I do have a higher priority motion from Senator Pahls. He would move to bracket the bill until May 5, 2021.

HUGHES: Senator Pahls, you're welcome to open on your bracket motion.

PAHLS: Thank you, Mr. President. I was following Senator Wayne, his interesting concept this morning. I think I have an idea that's still partly baked. It's not totally baked, but an idea that I'd like to get across. But before I do that, this morning, I was rattling off a bunch of-- people said you're rattling off a bunch of words. Well, I was rattling off a bunch of counties. In fact, I didn't get them all done, nor am I going to reread them all, but I did try to-- attempted to read 72 of the counties. The point I'm trying to get across-- I'm dealing with property tax right now because this is-- was in the Lincoln paper that we need to do something on property tax-- implying that some of us do not want to do that, which I find ironic. But of those 72 counties, their property tax does not add up, does not add up to what comes out of Douglas County. So I would assume those of us living in Douglas County are as interested in property tax as the rest of the state. As I said, 72 counties do not-- they do not come up with

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property tax that we do. So let it be known that those of us in the metropolitan areas, we are concerned about property tax. My thing is I'm concerned about all of the taxes. We seem to be emphasizing just one tax. I think we should be looking at all of them and today we're talking about giving more things away. Now I'm going to go to the major issue of this bracket. As of 2019, there are 16, 16 [SIC] schools in Nebraska designated by the Nebraska Department of Education as needs improvement. I'm not talking about a handful of-- helping a handful of children. I'm talking about helping a number of children. Many of these schools are in Omaha and I'll just list a couple of them: Belvedere, Benson, Kellom, but many of them are in rural areas: Elba Elementary, Wauneta-Palisade Middle School in Wauneta, Bayard Secondary School in Bayard. The middle section of the school is doing OK, but the high schools are struggling. All across the state, we have public schools that could use scholarship money. I don't want to forget the larger cities in Nebraska as well: Grand Island Senior High School, Emerson Elementary School in Kearney, Madison Middle School, both in-- the one in Madison and the one in North Platte, Emerson Elementary in Alliance. Those are just a handful of the 116 schools that qualify in the area that need-- that they need to improve. And I'm asking the question why should this tax credit only incentivize, incentivize donations to private institutions? We have proven accountability measures in places for priority schools already. My amendment will allow public schools to take advantage of this tax credit as private schools, particularly those 116 public schools designated as needs improvement. We will allow donors to give money to public school foundations utilizing the opportunity school tax credit with the same safeguards already in place in this bill and-- but we do have an added thing that's not in the other bill. We have accountability. We would utilize the five-member intervention team used to turn around Nebraska schools that are in most need of improvement. We have pioneered priority schools where this has occurred. A team goes in there, they check, they evaluate. They have an accountability system that they utilize, they submit a plan, double-check the plan, and see the results. We could use that same plan that's already developed by the state department. When I talk about foundations, we talk about these other foundations, currently, there are 32 organizations that are foundations throughout the, the state, school foundations. In this past year, they raised \$64 million. Now, if they do not get a tax credit, what's going to happen to those individuals? They're going to go where-- a lot of them will go where they can get more money for their money. And just to give you an idea of some of those, I'll just read off Aurora, Beatrice, Bellevue, Bennington, Cozad, Columbus, Cardinal Education Foundation in South

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Sioux City, Elkhorn, Lincoln, Gering, Grand Island, Hastings, Kearney, Millard, Minden, Norfolk, North Platte, Ogallala, Omaha, Papillion, Cozad, Ralston, Waverly, Scottsbluff, Wayne, and Westside. We already have the foundations there. They're already in place. They, they do ask for donations. This last year, they-- over \$64 million. Let's help them out. We have 116 schools that need improvement. We have a, we have a valid instrument that will help with accountability. I'm assuming the Catholic schools also use this as their accountability, other than just publishing results. And some of these results for one school that I picked up as a high priority, they are a little, little scary. If I were the administrator, I would probably say I do need some additional help. One school, they had 648 substitutes required. They couldn't fill them all, so they had to run school with subs-- without substitutes. It's amazing and the number of-- it-- this whole package gives all the information about the school: the test scores, the mobility rate. I don't know if you understand the mobility rate of students has a tremendous effect on what's happening in schools. So we have the accountability right here. We have the foundation. The people give the dollars, we have the accountability, and we have the schools. Did I hear time?

HILGERS: 2:30.

PAHLS: OK, thank you. We have the schools. We have all the component, components of the bill that's in front of us. We need to be helping the individual schools. I heard Senator Wayne is a little bit concerned about some of the schools in his district. Pulling a handful of kids out is not going to change that, but if we have a focus group to a number of those schools, I believe that would be more beneficial than pulling a few kids out throughout the state. People will contribute to that if they get-- if they're contributing \$64 million right now to these foundations, that's-- they get a tax deduction, but no, let's go tax credit. I would assume that their donations would skyrocket. There is a difference between a deduction and a tax credit if that's the route we want to go. Again, I'm going to emphasize we have the foundations. We have the schools that are already identified. The Nebraska Department of Education works in these schools. They get it. They've been doing it for several years, so they understand how this thing works and then we have the accountability, the accountability.

HILGERS: One minute.

PAHLS: Thank you. So we know what we will get. So let's help schools, not small groups of people. You turn a school around, unbelievable.

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They test all the way from leadership to the culture of the building. They do surveys, surveys. They do parent contact, parent input. Some of the things I heard this morning that they said did not happen in some of these public schools, well, if that school is under this needs improvement and we really send a team in there and they analyze it and they do improve themselves, something tells me it should get better. And I know the state department, the state department knows all about this program. They've been working it, so it's not like we're inventing something new. Foundations, schools, accountability. Lots of kids--

HILGERS: That's time, Senator.

PAHLS: --or a handful of kids. Thank you.

HILGERS: Thank you, Senator Pahls. Debate is now open on the motion to bracket. Senator Albrecht, you're recognized.

ALBRECHT: Thank you, Speaker Hilgers. I'd like to yield my time to Senator Flood.

HILGERS: Senator Flood, 4:55.

FLOOD: Thank you, Mr. President. Members, good afternoon. I have two thoughts on this. The first is I am for public education--

HILGERS: I'm sorry. Senator, Senator Pahls, you're recognized.

PAHLS: I asked to pull the bracket-- the motion.

HILGERS: Bracket-- the bracket motion is pulled. Senator Flood, we'll, we will go back to 4:55 on yours. I apologize for the interruption. We are now on the motion to recommit.

FLOOD: Thank you, Mr. President. Two, two thoughts that I have. The first is I sat for the first time in a long time on these committees this year and the tension between large public schools, smaller public schools, and private schools was not something I expected to see. I do believe in public schools. I, I think I have great public schools in my district. We have great public schools in this state and I-- we hear that from people that move into Nebraska and so I want to preface everything I'm saying that I don't want anything bad to happen to them. And I'll tell you, this Legislature, for all of our differences, we have been funding K-12, in my opinion, fully compared to when I was here before when we were constantly amending TEEOSA with major changes. I haven't seen the major changes happen here and so I think

there is hopefully some trust there from the larger school districts, especially that-- and the equalized ones that they see us doing that. I'd obviously like to see us do something for nonequalized school districts and I-- to that end, we had a long talk in Revenue. The piece that's new to me from a legislative point are these public-- are these private schools and you need to know I have experience here. I just retired as the chairman of the Children's Scholarship Fund of Omaha, which distributes between \$1.5 and \$2.5 and sometimes \$3 million a year in private funding. And Senator Machaela Cavanaugh, I wish you have could come to the annual scholarship granting evening where we have a dinner where you do it at Metropolitan Community College in the culinary institute and there are so many wonderful people there that are so excited that their children get this choice and this opportunity and people say, well, this is an Omaha deal. No, it's not. There are kids at Christ Lutheran. There are kids at Norfolk Catholic. There are kids at St. Ludger's in Creighton and in Madison and the Lutheran schools and Christian schools and other schools out there. And for the parents that you meet at the scholarship granting night, it's hard to not get really hopeful about our future because you see someone who really, really, really appreciates it. And to say, Senator Lathrop, that they don't need the money or they have more money on the balance sheet, yes, I'm sure there are some schools that do, but there are over 400 students, income verified through a very rigorous process, that do need the money, that don't get these scholarships every year. In my district, one of the school districts just outside of Norfolk gets about \$700,000 in option enrollment. I'm not on a mission to end option enrollment, but to me, for some kids in certain situations, this is their chance at something different. And it has nothing to do with the quality of the education someplace other-- they're just-- it's a very personal choice to people and parents that want to enroll their son or daughter in a school like this. And it is a rural issue. We don't-- you know, rural poverty looks different than urban poverty and it is very real. This is, this is an important opportunity for us to say, hey, if we really want to move the state forward, we've got to find a way to put public education, large and small, private education on the same plate and let's work forward together. What I saw on the Revenue Committee, what I've seen as a member of that committee is every side is throwing punches and every side has a reason and every side is justified, but I think look at what we're doing in education in the state. It's so positive. It's so, it's so good for kids and yet when these adults show up on both sides, whether you're a legislator or whether you are a school advocate or a school board member or a supporter of a private school, the ugliness that we have in these committees from all sides--

HILGERS: One minute.

FLOOD: --is hard to take when you know everybody wants the right thing. I know without a doubt Senator Linehan wants this because she believes in it. It isn't a, it isn't a crusade to hurt public schools. It's that she knows deep down that that choice-- all-- as personal as it is for these parents, is a, is a ticket out into something else for, for one of these families. And I know Senator Walz is Chair of the Education Committee or Senator Morfeld is a public school supporter. I know they want the same thing. I'm just saying if we want to move forward as a state, can we put all these three on the table? Can we say, hey, this is still important-- these are important, why not this? Five million dollars a year, will it grow? That's up to us. Should there be a cap on it? Maybe. Should there be a sunset? Let's talk about it.

HILGERS: That's time, Senator.

FLOOD: We can't talk about these things with these procedural motions. Thank you, Mr. President.

HILGERS: Thank you, Senator Flood and Senator Albrecht. Senator Wishart, you are recognized.

WISHART: Thank you, Mr. President. Colleagues, I rise in opposition to LB364 for a number of reasons. I actually-- I'm not opposed and I've listened to the conversation today and I'm, I'm remiss that I missed Senator Wayne's comments. I have lifted-- listened to some other members and I understand the-- I'm starting to understand the goals or some of our goals with, with LB364 in terms of improving educational opportunities for youth. I just personally don't think that this bill gets us to that North Star and these are some of the reasons why, but, but first, I, I do want to get up and, and say that I know that this is an issue that Chairwoman Linehan has worked on very hard for many years. And I have issues too myself that matter a lot that I've worked on for many years and so I do have great respect for her not giving up because the ways that we're successful in the long term are that we don't give up. Here-- first and foremost, I am fundamentally-- I have concerns with us funding or, or creating a system that inevitably uses public dollars to fund private schools, in particular religiously affiliated private schools. I think those schools need to be funded exclusively privately for K-12 education. Nevertheless, if we did end up moving forward with this legislation, I think that there is an absolute necessity that Senator Pahls wrote about for this to be even potentially constitutional, that this would apply to public school

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foundations as well. When you look back at the court cases, from what I've become familiar with, with the Opportunity Scholarship Program, which is basically supporting tuition and, and scholarships for youth to go to both public and private colleges, one of the reasons why opportunity scholarships still exist, even with a lawsuit, is that it applied to both public and private institutions. And so I just have major concerns that LB364 as it's currently written, since it does not apply to public schools as well, that it is not constitutional. Secondly, if the goal is truly for us to reduce the opportunity gap that exists for youth now and has existed for many youth for many generations, there are many other things that we can do that I see impacting many more youth that we should do right now. So first of all, limit class size to 15 students or less. I think that's the number I've heard is where our kids and teachers can get the individualized, one-on-one education they need. I know that comes with a price tag. I personally am willing to fund that across the school. Create trauma-informed learning fund that targets youth who have experienced trauma in their life. Senator Wayne spoke about that. Colleagues, let's show up and fund this. Fix option enrollment is another issue that came up. I completely agree that youth should not have to leave--

HILGERS: One minute.

WISHART: --their neighborhood and their neighbors to go to a quality school. All schools should be quality. Let's work on that. Provide universal preschool and paid family leave so that kids have enriching activities at a very early age and so that parents have time to spend with their kids at those formative years. We can do that. Other countries do, why not us? Increase the minimum wage. Why not we make it so that every family can afford to send their kid instead of focusing on giving tax breaks to wealthy people to do it? Why don't we ensure that every family can afford to send their kid to a school of their choice? That's a thought. We need to overhaul our criminal justice system and we need to reduce the amount of people.

HILGERS: That's time, Senator.

WISHART: Oh, I didn't get my one minute. Sorry.

HILGERS: Sorry, Senator Wishart. Mr. Clerk for a motion.

CLERK: Mr. President, Senator Cavanaugh would move to bracket the bill until May 4, 2021.

HILGERS: Senator Cavanaugh, you're recognized to open on your motion.

M. CAVANAUGH: Thank you, Mr. Speaker. So this bracket motion would take it till May 4 and if this fails on a vote, then we still have the option to recommit it to committee. But if this-- if we do decide to vote on this bracket, then we will pause this conversation until May 4. Again, that would be after the fiscal forecast tomorrow. It would be next week, which is coming up very quickly. And of course, I just like Star Wars, so-- Star Trek, Star Wars, Star Wars. I like them both, but sometimes I forget. So I'm going to leave this one up here. I'm not going to pull it and we'll go however long we go on it and probably take it to a vote at some point, just so everybody's clear of what I'm doing because there seem to be some confusion. I want to talk about the childcare tax credit. OK, so Senator Briese's portion of this bill is a childcare tax credit, which is a nice idea that I don't support because it's a tax credit for businesses. We keep finding ways to give tax credits to businesses. Senator Day has a childcare subsidy bill. Senator DeBoer has a childcare subsidy bill. Those bills would help people. They would help families. They would help small businesses that are running these childcares have a sustainable, reliable income. Well, sustainable is probably a bit of a stretch because childcare subsidies are much less than the regular tuition, but they would have a reliable income in Senator Day's bill. And in Senator DeBoer's bill, more people would have access to childcare subsidies. This bill, this-- the tax credit would give companies that pay for part of their contributions for childcare programs a, a tax credit. Taxpayers may claim either 50 or 75 percent of the total value of their contribution, the maximum amount of the credit cannot exceed \$25,000 or 50 percent of the taxpayer's state income tax liability, whichever is less for the tax year in which a contribution is made. So in addition to the tax credit for a business, if this were a tax credit for families, I-- that is a tax credit I would be willing to entertain. If you can take a tax credit for what you pay in childcare-- now, this is very self-serving, of course, because that would mean that my entire salary in the Legislature would be tax free or I would be credited back because I pay that much in childcare for one child. So I do openly admit that that is a very self-serving tax credit, but I welcome it. But if you-- if we were going to do a tax credit on childcare, we should be doing a tax credit for the people that have to pay for childcare, not for, again, businesses. We keep finding ways to give tax credits to businesses, but we can't increase the wages of the people that work for the businesses that are being subsidized by tax dollars. This does not make any sense to me at all. So I appreciate what, what Senator Briese's portion of this bill seeks

to do, but it is not going to sway me in any way, shape, or matter because as long as there are dollars on the floor, I'm going to fight for those dollars to go to developmental disabilities. I'm going to go-- fight for those dollars to go to serve the people the most in need. And if we're genuine about wanting to serve children in poverty, then we-- there are a lot of bills we need to pass before we even consider passing this bill. So I would encourage everyone to vote to postpone this till May 4 and let's move those other bills and then come back to this conversation. Let's, let's actually take care of the opportunity gap with expanding SNAP eligibility, with expanding LIHEAP, with expanding childcare subsidies, with expanding the DD eligibility-- not eligibility. I misspoke-- with expanding those that get access to DD services. Let's increase provider rates. Let's be smarter than this. This is a tax credit for wealthy individuals and there are no guarantees that it's going to improve the lives of children in poverty. We have \$5 million here. Let's use it for something that we know is going to help those children. Let's get them access to food. Let's get them access to healthcare. Let's get them access to clothes, to heat, to housing. Let's close the opportunity gap. You can't address an achievement gap first. You have to address the opportunity gap and if a kid shows up to public school or private school and they didn't have a home to sleep in the night before and they don't have clean clothes and their shoes have holes in them and they don't have food in their belly, it doesn't matter what school they're going to. We need to create stability in the lives of children that are in poverty. We need to be working to address ACEs, adverse childhood experiences. We need to have genuine conversations about these things. So yeah, I'm against this bill. I'm against the parts and pieces of this bill, not because I don't care about children in poverty, not because I think that they shouldn't be allowed to go to private school or parents shouldn't be able to send their kids to a parochial school if they so choose. I support that, but this isn't the way. This isn't the way to get evil-- even footing from the time that the school bell rings. This is not it. So I'm going to be here for the next however many hours I need to be here for and I'm not going to stop. I'm going to be standing here for the families that we continually don't actually serve. For everyone who stands up here in support of this and talks about these poor children and their parents', their parents' rights, you don't seem to care about their parents and these poor children when it comes to food. And you don't seem to care about it when it comes to heat and you don't seem to care about it when it comes to sick leave or wages, but you care about it when it comes to a tax credit for the wealthy. And that I cannot

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stomach and I will not stomach. How much time do I have left, Mr. Lieutenant Governor?

FOLEY: 1:50.

M. CAVANAUGH: Thank you. So I've seen this several times this year. I've seen this in other years where there's a bill that has a lot of things that, that people don't agree on and then has something that seems like a shiny, sparkly thing that we all can get around. And I believe that Senator Briese's bill is supposed to be the shiny, sparkly thing. And I honestly wouldn't-- I wouldn't vote for Senator Briese's bill alone at this point, not because I don't agree with it, but because if we've got money on the floor, we've got money for DD. If we've got money on the floor, we've got money for developmental disabilities, not tax credits for wealthy, not tax credits for businesses. And if we want to give tax credits when it is in regards to children and education, let's give tax credits to teachers.

FOLEY: One minute.

M. CAVANAUGH: Let's give tax credits to parents that are sending their children to, to childcare. Let's give those tax credits. This bill gives tax credits to companies. You can be a company and get this. You can have your tax liability of \$10 million and you can make a \$5 million donation and then you get a \$5 million tax credit. So you don't pay taxes. That's, again, bananas. I welcome any other fruit into the discussion. Thank you, Mr. Lieutenant Governor.

FOLEY: Thank you, Senator Cavanaugh. Senator McDonnell.

MCDONNELL: Thank you, Mr. President. Good afternoon, colleagues. As I was mentioning this morning, I was going to have-- when Senator Wayne came back, ask him a, a few questions. And just to, to recap a little bit and the, the part I'm, I'm really struggling with is that, that question and, and a number of the parents that have come to me and, and they were dealing with the idea of their children being expelled and that OPS had gone through that process and, and, and most of them said their child should have been expelled, but it wasn't working for them. And now there's parents that had options that said OK, well, we can send this child to school A and pay for it. The ones that I had the toughest conversation with was the ones that didn't have those options because financially, they, they could not afford that. And as I mentioned, I was-- I'm so impressed with what Street School is doing in Omaha and they started in 1999 and what they've been working on. And, and again, a smaller, smaller group of students, but

approximately 90 percent have been expelled, 90 percent are, you know, on free or reduced lunch and, and approximately 90 percent are, are graduating. But what happens to those students that are expelled and they have nowhere to go? They have no options. And we know that approximately 70 percent of people, the adults that are incarcerated, are functionally illiterate. We know children in the, the system right now, in the juvenile justice system, 80, 80-plus percent functionally illiterate. What happens to those children? What do we tell these parents? And I know Senator Wayne had experience on the, on the school board and he's had these discussions with parents of what can I do? My-- this isn't working. Now, now we also know that approximately 78-plus percent of kids in, in OPS, for example, they graduate and, and they, they get a good education. Now, we got 22 percent that didn't. Where did those people go? Where did those kids go? Well, right now in the state of Nebraska at 1.9 million people, we have 100,000 adults that don't have a GED or high school diploma. So going back to what happens to these kids, what do we tell the parents today? And in, in Street School, you're looking at African-American about 33 percent; Caucasian, about 30 percent; Hispanic, 12 percent; two or more races, 24 percent. So they're, they're working with a number of kids, again, that have been expelled and Senator Wayne, could you-- would you yield to a question?

FOLEY: Senator Wayne, would you yield, please?

WAYNE: Yes.

McDONNELL: Senator Wayne, if, if, if these kids are expelled and the parents come to, to us and say what-- why can't you help me? Because I, I can't afford to continue to try to deal with this problem and get my, my child an education and I can't financially afford to send them to a, a school. What, what do we tell them? How, how do we answer that question to that, that parent that knows this is not going to go well for my child unless I can get them an education?

WAYNE: We tell them that they could go to their alternative school at Flanagan, but what we really tell them-- and I just had this with a, a kid the other-- last week, one of my workers. They said your kid doesn't have a long enough record yet to get the services that would help him get through education, so if he steals or robs something, the juvenile court will, will figure out how to help him, but until then, there's nothing. That's why the Omaha Street School has been a great alternative for all the kids that we need.

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McDONNELL: Thank you, Senator Wayne. So at this point, we have children that have been expelled. Now, going back to the numbers earlier I mentioned, we have-- going to '18-19 with OPS, we have 5,613--

FOLEY: One minute.

McDONNELL: --that were suspended, but 400 were expelled. Now, can they come back? Yes. Yes, they have the opportunity to come back. Possibly they go through that process, but something isn't working for them. And I'm not saying they've done everything right and the parents that have talked to me, they were not making excuses for their, their children, they were just saying something's not working. And if-- lest we correct it, what's going to happen to my child? Going back to the idea that 70-plus percent of people that are incarcerated today are functionally illiterate, there was a problem at some point in their education that put them in a position and they, they made the decision, but if you thought what built up to that? If we know that we can help children and again, knowing that 78 percent of the graduations in OPS, they're, they're, they're getting a good education, but again, that, that 22 percent and then going back to the, the people--

FOLEY: That's time, Senator.

McDONNELL: --that were expelled. Thank you, Mr. President.

FOLEY: Thank you, Senator McDonnell. Senator Murman.

MURMAN: Thank you, Mr. Lieutenant Governor. First of all, I'd like to thank Senator Linehan for bringing LB364. I strongly support it and full disclosure, I and my wife are both a product of public schools as well as our-- all of our children. I served on a public school board and I have several close and distant relatives or more extended family that teach in public schools. Also, I have no public high schools in District 38. I do have three grades-- public-- or excuse me, I have no private high schools in District 38 and I-- but I do have three private grade schools in the district. So I have no skin in the game or political reasons for supporting this bill, but I, I support it on moral reasons. I do realize that everyone pays taxes, whether their children go to public or private school. And if you live in greater Nebraska, your sales and income taxes go to the-- mostly all to the urban districts and-- but that's another issue. You have to totally support your school with private-- or with property taxes, so-- but that's another issue. What I like about this bill is it does give

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families and children, encourages them to have more choices. I totally support public schools. I totally support all kinds of schools. The important thing is the education and the, the children and the education of the students. That's the important thing, not the method of the teaching. And many studies have shown that school choice is, is beneficial not only to the private schools, but also the public schools. Public schools have that-- have less students to educate and encourages competition among schools, so that's, that's a good thing to-- especially for families to have alternatives and different types of schools. This is not a tax break for the wealthy. The individuals and corporations that do donate to the fund are paying-- either paying taxes or paying for the scholarships, so they're not-- they'd have no monetary gain from it. It's just where does their tax money go? And it's such a small percentage. I think Senator Linehan said-- I don't know exactly, but point zero zero something percent of funding that goes to education in our state, so very minuscule amount of funding. And especially with the limit on the amount of credit that an individual corporation can obtain and then the scholarships all going to free and reduced lunch students, I think it's an excellent bill--

FOLEY: One minute.

MURMAN: --and-- thank you very much. I would like to just emphasize it's not, not a tax break or it's not a way of saving money for anyone. And with that, I'd yield the rest of my time to Senator Wayne.

FOLEY: Senator Wayne, you've been yielded 45 seconds.

WAYNE: There's not a whole lot I can make in 45 seconds. I got a lot to say. So if anybody on either side wants to have a real factual conversation, we can, we can have this conversation. But what we're talking about, whether it's \$2.5 or \$5 million, that's roughly 400 to 700 kids, 400 to 700 kids that can get out of a situation that they feel stuck in as far as a bad school. We can dance around everything else, but that's 400 kids that we can make a difference in their lives. And what I will tell you is I've sat quiet on education this year. I have not pushed to hardly anything. The conversation I heard this morning was disingenuous. It upset a lot of people in my community.

FOLEY: That's time.

WAYNE: Education will be a focal point for the remainder of this session for me. Thank you.

FOLEY: Thank you, Senator Wayne. Senator DeBoer.

DeBOER: Thank you, Mr. President. So as I've been listening, the thing that I cannot get over is the 100 percent tax credit, the dollar-for-dollar tax credit. I've voted, I think, for tax credits, I'm sure. I know I have. LB1107 last year had tax credits in it, but that was one of those bills with so many things in it, property tax relief and the NExT project and things, that no one loved everything in it and we swallowed the bitter pills with the sweet ones. But I have a couple of fundamental problems with 100 percent tax credits. I don't think I voted for 100 percent tax credits in the past, but I'm sure if I have, someone will find one to prove me wrong-- maybe somewhere in a Christmas tree and I didn't see it. They don't go through the appropriations process, these tax credits, so they don't get reviewed and balanced with, with other programs. So that's a general reticence I have with tax credits in general, but they're right, maybe I haven't been as consistent as I should be about that. But the big problem with a 100 percent tax credit is it sort of skips the line ahead of all other charitable donations. So my tax liability, if I give money to a food pantry, will be reduced by whatever my tax, my marginal tax rate is-- if I itemize, that is. So some of the money that I gave in this donation to the food pantry so that kids can have food will be reduced, but not all of the money. And in this case, if I give-- as long as it's not more than 50 percent of my total tax liability-- a donation to one of these scholarship programs, every dollar is returned. So it's treated differently than all these other charitable organizations. So if I give money to research pediatric cancer or juvenile diabetes or if I give money to the food pantry or any of the other things, if I give money to my own church, I only get part of that donation back in a reduced tax liability, but if I give money here, I get 100 percent back. It, it's basically directing the government how to spend 50 percent of your tax liability. If I wanted to direct the government to spend 50 percent of my tax liability to build out rural broadband, couldn't do it. If I want to direct the government to spend 50 percent of my tax liability in an early childhood program, we don't even have a dollar for dollar here. If I wanted to give 50 percent of my tax liability to build roads or to work on property taxes or anything like that, I, I don't have that option. I can't tell the government how to spend 50 percent of my tax liability, but we're setting that up here and I just-- I can't get over that. The problem isn't the program that these dollars are going to. Those programs are very worthy, worthy. It's that this is a kind of tax loophole that my constituents asked me to come down here and not create. The road to loopholes is always paved with good

intentions. Can these organizations not raise the money that they need to? I mean, is, is that the problem? Why, why can't they? That's a question I want to know. Why can't these charitable organizations raise the money that they need to? I know there are lots of programs, lots of charitable organizations that raise lots of money. Is there something, something fundamentally difficult about doing that in this arena and then we should work on talking about that maybe?

FOLEY: One minute.

DeBOER: I don't know. Ultimately for me, the 100 percent tax credit, the dollar-for-dollar return of up to 50 percent, creating this loophole in this way, that's the problem for me. And ultimately, I know that if there is a problem with our public schools-- and, and we've heard today there is-- we should address those problems directly, not avoid it and try to create a different system. We need to ask these questions that we're asking on this bill of our schools and ourselves. Why is there an opportunity gap? How do we fix it not just for some kids who could get a scholarship, not for the kids whose parents say we're going to send them here, for all kids? We got to make sure we do better for all kids. Thank you, Mr. President.

FOLEY: Thank you, Senator DeBoer. Senator Ben Hansen.

B. HANSEN: Thank you, Mr. President. I stand in favor of LB364 and the underlying amendment by the Revenue Committee. And I actually appreciate the conversation and substantial debate on this issue with-- without going off the rails too much so far. One of the arguments I've heard multiple times is that this bill is only a tax break for the wealthy and I wanted to maybe just give a little bit of an opposing viewpoint. For people here who are upset with the rich and wealthy getting-- people getting tax breaks by donating their own money to help give choice and opportunity to lower-income families and students for a better education, how do we expect to change that mentality? Competition. And I'm not talking about competition between schools, but actually competition for wealth. The more lower-income students that we can give the option of choice and the, and, and the potential for a better income through education only creates more competition for rich people by helping to create more potential innovators, inventors, and titans of industry who may not have had that opportunity before. And isn't that what we want? We don't want to stifle opportunity, discourage advancement, remove possibilities, and repress dreams. The more educated individuals helping shape their own destiny to get a piece of the pie instead of holding them back and having that pie go to only less and less people until wealth is

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consolidated to only a select few is not what we want. And we don't do that through taxing the rich to give to the poor. We do it through encouraging those to create a better life for themselves through hard work, education, responsibility, and innovation. And none of us, myself included, are not saying anything bad about public education or private education. It's just believing in the idea of giving parents a choice that they feel is best for their children. This bill emboldens that idea. Somebody once said parents generally have both greater interest in their children's schooling and more intimate knowledge of their capacities and needs than anybody else. Social reformers and, and education reformers in particular often self-righteously take for granted that parents, especially those who are poor and have little education themselves, have little interest in their children's education and no competence to choose for themselves. That is a gratuitous insult. Such parents have frequently had limited opportunity to choose. However, U.S. history has demonstrated that given the opportunity, they will-- often been willing to sacrifice a great deal and have done so wisely for their children's welfare. And to Senator Machaela Cavanaugh's point, one of the best ways to lift people out of poverty isn't so much from government. It's actually giving them a good education to help lift themselves out and encouraging them. Government isn't the answer all the time. With that, I will yield the rest of my time to Senator Justin Wayne.

FOLEY: Thank you, Senator Ben Hansen. Senator Wayne, 2:00.

WAYNE: Thank you, Mr. President. Thank you, Senator Hansen. Every morning I walk in here, I, I think about my daughter, Mya, and my son, Thomas. But when I walk through those doors, my focus has to become all kids, not just the kids that I have in my house. And actually, when I left here, I sat down with a mother whom we just finished a court hearing and, and Tina is concerned about her son, Carter, who is going to a struggling school where she sees no hope. And how she serve-- when I asked her about this bill and I told her what it did and she said, Justin, my son is drowning and you're telling me people who have a life preserver won't throw them to my son just in case one day they may need to use it. That's what she said, that one day down the road, we may need to use this \$5 million to fix a whole school, to do whatever, but in the meantime, I can't see past that, Justin, because my son is drowning and you're worried about one day you may need this, that one day it may affect your son's education down the road. Well, ironically, Millard, two years ago, lowered their levy by \$5 million. So this \$5 million won't hurt Millard School District at all. Ironically, Omaha Public Schools, at a community event, twice said they don't need any more money. With the COVID dollars, they have

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more money than they know what to do with, was the exact quote. So in a time when there is COVID dollars, in a time where we have money to spend, we won't try a pilot program, that's what it is. A sunset--

FOLEY: That's time, Senator.

WAYNE: --if you haven't-- that's time?

FOLEY: That's time.

WAYNE: OK. We're getting good at the non one-minutes. It's not just you. It's everybody.

FOLEY: Senator Blood. Senator Blood.

BLOOD: Thank you, Mr. President. I'm sorry I couldn't hear you with all the noise. Fellow senators, friends all, I don't disagree with a lot of what Senator Wayne had to say, but I'm going to continue to connect the dots as we were challenged first thing this morning and talk a little bit. And one of the things that I am concerned about are the stereotypes that we've talked about when we're talking about those scholarships because stereotypes fuel political rhetoric. I'm sorry, I'm talking here and I can't hear. There are dire consequences for people of color when we keep this conversation going: abusive treatment by police, less attention from doctors, harsher sentences from judges, racial tropes of diverse families struggling are often inaccurate and generalizations, so-- I'm sorry, inaccurate generalizations. I worry because we say for the kids, for the kids, for the kids, these kids of color are struggling. OK, kids of color are definitely struggling, but not all kids of color are struggling and we need to be really careful when we start generalizing like that. And I know that that was a really bold thing to say, but I just want to make sure we point that out because my friend Charlene [PHONETIC] is always in my ear and she always cautions me about when we talk of people of color, how we tend to always go to those in poverty and that is not all people of color, so we have to be really careful not to generalize. With that, I stand opposed still to LB364. I just find it hypocritical when all year long, I had to hear about all the charitable organizations that are going to help people that are struggling, but we're not giving anybody a big tax break like we're giving rich people. And Senator Wayne talked to me about how his-- I believe it was his cousin couldn't get a scholarship because they had stopped giving out scholarships from one of the organizations, the Children's Scholarship Fund of Omaha, of which Senator Flood used to be on the board, so he knows about that organization. They have a

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yearly fundraiser where they raise approximately \$200,000 to \$300,000. I pulled up one of the recent 990s. Looks like they had around \$2.6 million, so they're choosing to only give out \$200,000 to \$300,000 maybe in scholarships. That's their choice, however much they give, but the point is, is that it's not like they don't continue to raise money. That's their one and only mission. So then I wanted to follow the money in other areas and the organization that really pushes this was really involved in the 2020 elections and I looked at their NADC report. And if you look at the expenditures they used in candidate races, that was \$281,740, Senator Wayne. This organization could have provided 234 full scholarships to St. John's alone in Lincoln. If you looked at all their disbursements for the 2020 election, 273 full rides to St. John's-- and I just used a local school-- could have been provided. And then I want to know why so many people from outside of our state are getting involved here in politics. Somebody from California gave this organization \$141,000. Joe Ricketts gave this organization money. Senator Linehan and I talked yesterday how much we enjoy each other. Senator Linehan donated money to this organization. And then, of course, there's the mother ship that's going across the country, American Federation for Children. They donated \$12,000 to the Nebraska fund. And if you go to their websites, they show you the candidates that they targeted. We can keep saying this is about the kids, but this has become a political issue.

FOLEY: One minute.

BLOOD: And I want to tell you-- did you say one minute? I want to tell you that the ads against me-- and I'll talk about me-- said nothing about school choice. Instead, they were insulting, inaccurate lies that really upset my family, talking about criminals when my own husband was a victim of a person who held him and others hostage here in Lincoln, where we had somebody who was severely beaten and sexually abused in our family. But I want to let criminals out on the street? So yeah, I feel a little personal about this. When I look at the NADC funds that support this cause when their only thing that-- the only thing that they did was hurt people when they could have taken this money that supposedly needs to be done for scholarships and given it to children that are in-- are struggling and in need. Instead, they chose to try and ruin people's lives in hopes that they wouldn't get reelected. That's very charitable, isn't it?

FOLEY: That's time. Thank you, Senator Blood. Senator Briese.

BRIESE: Thank you, Mr. President. Good afternoon, colleagues. I did want to respond to a couple of comments Senator Cavanaugh said about

the early childhood contribution tax credit and I would submit that creating accessibility to early childhood facilities helps everyone. It helps people. It helps kids. It helps their families. And as far as companies padding their own pocket with this, contributions to an organization in which the taxpayer has a financial interest is not allowed and the contributions are limited to \$25,000 per taxpayer per year. We're not talking millions. And individuals, of course, can use this besides corporations and businesses. But, but in the Revenue Committee-- I've been on the committee for the last three years and we get to hear a lot of interesting bills and ideas, get to hear from a lot of lobbyists and taxpayers and on-- and it's great to hear from folks, have good Nebraskans come in there and talk to us. But I have been in on two hearings relative to opportunity scholarships and those are unique and really fun days in the Revenue Committee because those are the days that we hear from young people, young folks, many of whom come from disadvantaged backgrounds and many of who are young folks of color. And they tell us their stories and they tell us how many of them struggled in traditional public schools. They tell us how some-- some of them tell us how they were bullied in the traditional setting. But their stories did contain a common theme and that theme was one of transformation. Their experience in private schools was transformative for those folks that testified. They excelled in their new environment. And I'm proud of our system of public education in Nebraska. We have great public schools in Nebraska and I recognize private schools are not for everyone, but it's hard for me to dismiss the heartfelt testimony of these young people who testified in support of opportunity scholarships. And with that, I'd like to yield the rest of my time to Senator Linehan. Thank you.

FOLEY: Thank you, Senator Briese. Senator Linehan, 2:40.

LINEHAN: Thank you, Mr. President. I'm not good at movies, but whatever-- so, like, you see the same movie over and over and over and I've been to this movie five times. Every time I bring this bill, the opponents put up recommit-- all those special things you can do to jump ahead in line to keep us from getting to the bill. That's disingenuous. I have all kinds of people under the balconies telling me they'll work-- they want to talk about what changes I would make, but they won't let us get to the bill. So here I would like to tell you, since we can't get the bill, what I will commit to you if we get to the bill. People that are concerned about there's no cap on contributions, OK. Five thousand dollars on individuals, \$10,000 on business. That should take care of any concern that one business or one person is going to take it all up. It will get plenty of opportunities to lots of people. Sunset after five years. I can live

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with a sunset. Sunset is a good idea. Sunsets--- if, if the program doesn't work, nobody likes it-- we've had some sunset programs this year that we did not start over again. And in the Education bills, I think LB528, that's a lottery bill, we sunset three or four programs that we're not going to do anymore, so I'm fine with a five-year sunset. That does not concern me whatsoever.

FOLEY: One minute.

LINEHAN: Then finally, the 100 percent dollar for dollar. OK, fine. I won't even go into why that's the number that I chose, but I am more-- I'm happy to do-- just match my tax credit exactly like Senator Briese's is for childcare, 75 percent. I'm also willing to talk about other things if anybody really wants to talk about the issue. I haven't seen this on very many bills. I've seen it on this bill five times. I don't do this to people, I don't. I don't even know how. It's not funny, guys. We got freshman or sophomores-- whatever we want to call ourselves-- people who have jumped the line three or four times today. Senator Groene told me he has never done that the whole time he's been here.

FOLEY: Time. Thank you, Senator Linehan. Senator Matt Hansen.

M. HANSEN: Thank you, Mr. President, and good afternoon, colleagues. You know, to continue Senator Linehan's remarks, I don't necessarily agree or appreciate people using the procedural motions to jump the line and withdraw. I, I will note that at least the first time that happened today was a supporter of the bill. I'm happy to talk about norms and procedures and whatnot and there's probably times where it's appropriate times or it's not, but I don't think anything that's happening here is unusual or anything that's happening here is exclusively something that, you know, only happens on this bill or is only being done by opponents of this bill. I appreciate Senator Linehan's frustrations. I've had multiple priority bills killed on the floor of this Legislature too and that's not a comfortable place to be at, but it is something that's happened. None of us have any more right to have our priority bills passed than anybody else. I think I'm two for six at the moment, getting killed on the floor. That being said, my opposition and part of the reason the opposition of this and part of the reason I haven't been one of the people talking to Senator Linehan under the balcony is I don't think you can resolve the constitutional concerns of this bill. This is fundamentally a very limited area that we can wade into as the state of Nebraska and because of that, I don't know if there's a way to solve it. Even if you took all of the amendments that Senator Linehan just said, I think

you would still have pretty severe constitutional concerns because fundamentally what we're doing is restructuring a tax credit, restructuring a tax credit program to do something that we as a state would not be allowed to do if-- with a direct appropriation. We cannot indirectly do something that we are directly banned from doing, at least not this explicit and this clear and functionally, I don't know how you solve this issue. So I'm going to-- I know I've used probably half my time by now. There's an Attorney General's Opinion from 2003 and if anybody's curious in reading it, it's number 03020. So the Attorney General's Opinion 20 from 2003 and it dealt with the particular section of the constitution, Article VII, Section 11 of Nebraska State Constitution. I'm going to quote from the AG's Opinion here. Article VII, Section 11 of the Constitution of the state of Nebraska prohibits the appropriation of public funds to, quote, any school or institution of learning, not owned or exclusively controlled by the state or political subdivision thereof. The effect of the literal language of the constitutional provision is a prohibition of appropriations made to a nonpublic school. And this is citing a case, Creighton, 217 Neb. at 689. That-- we have that and further on, the AG's Opinion says not only were appropriations-- because I know people are going to come back and say, hey, this is an appropriation-- it's a tax credit-- regarding the appropriation of public funds to appropriate means to set apart, or assigned to a particular person or use in exclusion to others, or to use or employ for a particular purpose, or in a particular case. We are setting aside a pool of tax credits that only apply to qualifying schools and those qualifying schools are defined as being nongovernmental, privately controlled schools. There is a pool of-- however you want to frame it, there is a pool of state resources, whether they're tax credits, whether they're dollars-- however you want to fund it, there will be language in the state that can only go to the benefit of people attending private, nongovernmental-controlled schools. I'm not necessarily outright objecting to that policy right here. I know many people like that policy, but we have a very clear constitutional, constitutional prohibition. Article VII, Section 11 says we can't do that. Now people are going to respond, oh, we do this, we do that to other things. There's other scholarships to go places. And yes, that is the holding of the Creighton case where the Creighton-- I'm quoting the, quoting the AG's Opinion here--

FOLEY: One minute.

M. HANSEN: Thank you, Mr. President. These cases all follow the Court's rationale in State v-- State Ex Rel. Creighton that any indirect benefit to which the nonpublic entities might derive such

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state funds does not transform payments for contracted services into an unlawful appropriation of public funds. That means if we do a problem-- program that benefits everyone and some nonpro-- some nonpublic schools benefit, that's fine, but we can't design a program solely for the benefit or solely for the use of people at nonpublic schools. That is a direct prohibition in the Nebraska State Constitution and no matter how we structure it as a tax credit, no matter the limitations we put on it, that is a fundamental issue that I do not think will survive legal scrutiny. Thank you, Mr. President.

FOLEY: Thank you, Senator Hansen. Senator Lowe.

LOWE: Thank you, Lieutenant Governor. I am a public school graduate. I graduated from Kearney High. We had great instructors. Our teachers were wonderful, as in almost every public school in Nebraska. This is not an attack on our teachers and the education system. This is so our education fits the child, so it works better. There have been studies that if a child is in a public school and gets to transfer to another school that may work for them, they have a 4.4 percent better chance of not being incarcerated. There is a 59 percent chance of reduced teen pregnancy. Let's do this for the children. Let's do this for their children. Other taxpayer-funded initiatives, initiatives that we fund, higher-education Pell Grants, it follows the student. GI Bill, it follows the student whether it is to a university, a state college, or a community college. We do this already. How about your Head Start programs in your pre-K? They follow the student. If you like your school, you can keep your school. I didn't come up with that, somebody else did. When you use your food stamps, you don't have to use them at a government store. You can use them at whatever store you would like to use them in and if you don't go to Walmart and you go to Russ's, it is not taking money away from Walmart. That's the, the sense that the other side is trying to put here, that we're taking money out of the school. We are not. It is only when education is up that you bristle up and protect the agency and not the child. Put the money in the hands of the child where it belongs. Let it follow him to a school that works for the child. Saint Mary's, just across the street over here, just to the north of the Capitol, had over 100 students, 90 percent of those were a minority. Over 90 percent of those were on the free meal program. Their parents were on TANF and on SNAP. So don't tell me private schools are for the wealthy. The reason why we need this credit program is because the federal government will no, no longer subsidize these gifts. A contributor to a program with 100 percent credit may not deduct it on their federal tax return. We want the money to go to the children. And with that, I'd like to yield the rest of my time to Senator Wayne.

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FOLEY: Thank you, Senator Lowe. Senator Wayne, 1:00.

WAYNE: Thank you. Thank you, Mr. President. So colleagues, a couple of us that went around and got-- expanded Medicaid and wanted to expand Medicaid-- and we actually put a lot of dollars into Medicaid. We believe it's a, a right. Many people I talked to, healthcare is a right. But what I'm going to do on the SNAP bill is I'm going to bring an amendment to say that you cannot use Medicaid, particularly the state portion's fund for private hospitals, that you can only go to a public hospital and you can only go to a federally qualified health center because the state dollars-- hospitals like CHI, they have beliefs that sometimes we don't agree with and that's what we're going to do. But if you believe it's a fundamental right and they should have a choice to make sure they access that right where it's at, then why is it different for kids in my neighborhood to their fundamental right to education? Now we can talk about the constitution and what it says. I'm talking about morally. So then you'll get an up or down vote on that SNAP and if you're going to be inconsistent on that when it comes to Medicaid dollars, then we'll just keep it doing it the-- we're going to do this the rest of this year because it's that important to me now.

FOLEY: Time. Thank you, Senator Wayne. Senator Williams.

WILLIAMS: Thank you, Mr. President, and good afternoon, colleagues. I have never been able to come to the point of being able to support the use of state funds for charter schools, voucher programs, or the scholarship program. However, make no mistake, I do not question Senator Linehan's passion or goals that she is attempting to achieve with this. I also am very supportive of Senator Briese's portion of this bill. I've been very involved with early childhood issues and they are a pathway forward to making a big difference. My district is a little different than everyone else's in this body. I don't have private schools in my legislative district, but I will tell you this. I've heard from almost all of the superintendents in the 13 school districts that are inside my legislative district and they have a significant concern and fear-- I will use that term-- of diverting state money to the private sector this way. Several years ago, I had the opportunity to spend a great deal of time in, in our nation's capital in Washington and my wife and I developed many personal friends there. Every one of our personal friends who were working and living in the Washington, D.C. area sent their kids to private school. They did it for two basic reasons because I asked them because that was so foreign to me. The two reasons were they felt their kids were not safe in the public school systems and they felt like their kids

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were not getting the high-quality education from the public school system that they could receive in the private system. And every time that we got on that plane and flew back to Nebraska, I thank my lucky stars for our public school system that we have in our state where the kids are safe and where the kids are getting a high-quality education. I agree with something that Senator Linehan said a little bit ago and that was the fact that we're not letting her talk about her bill and what she's willing to do to make improvements. With that, I would yield the balance of my time to Senator Linehan.

FOLEY: Thank you, Senator Williams. Senator Linehan, 2:20.

LINEHAN: Thank you. Thank you, Senator Williams. So again, I have listened and I will continue to listen, but this is where I hope I'm hearing you. I'm willing to put caps on individual contributions at \$5,000. So nobody can give more than \$5,000; business, \$10,000. That ensures that more people can participate. I actually think that's a good thing. I will do that. I will sunset it. I will put a sunset in the program, but it sunsets in five years, right outside after I'll be gone, so it might not even be hard to let that sunset go, depending who else is here. I will drop the deduction from 100 percent to 75 percent to match what Senator Briese has in his part of the bill. And I'm going to broach this, though it's probably-- I don't know if my partner in Revenue and Appropriations is here, but for your benefit, Senator Stinner, we all know, I think, at least I think-- or if you don't know, we're pass-- we're going to have more bills and more tax cuts and more A bills--

FOLEY: One minute.

LINEHAN: --and we're going to have money in the bank when we get to Select. So I will work with everybody here to make sure that this bill doesn't keep their priority bill from getting some money. I don't know where we're going to be. We're not going to go-- know that until tomorrow, until we get done with the rest of the bills, but when we get to that point, I will be a team player. So again, \$5,000 individual, \$10,000 business, 75 percent credit, sunset in five years. And I'm just going to use a little bit of the time here because-- and I understand people kind of-- I, I am for more money for public schools, more state money for public schools. I've been for that since the day I walked in. I was that when I ran for office. Every year I've been here, I have tried to get more money to public schools.

FOLEY: That's time, Senator.

LINEHAN: Thank you.

FOLEY: Thank you, Senator Linehan. Senator John Cavanaugh.

J. CAVANAUGH: Thank you, Mr. Lieutenant Governor. A lot of subject matter been covered today and this is my second time talking, so I'm trying to remember what it was I wanted to talk about. So-- well, one thing-- I mean, Senator Linehan, I, I, I-- of course, I appreciate your willingness to work on these things and I particularly appreciate your kind of creativeness in terms of how you approach all of these topics and trying to find ways that are going to be helpful to people. I guess to go back to kind of where we're at, we've got a couple of these, these motions up here that aren't subject matter, but Senator Hunt's amendment is the amendment that we're on and so the, the concessions you're willing to make on this actually don't address the concerns Senator Hunt raised in that particular motion and that was-- that is one of my issues. And so I'm sitting here reading through the amendment and that-- there's a couple of parts that struck me, but one of them is the Opportunity Scholarships Act shall not be construed as granting any expanded or additional authority to the state of Nebraska to control or influence the government-- governance or policies of any qualified school due to-- it-- the fact that the qualified school admits or enrolls students who have received educational scholarships or acquiring such qualified schools to admit. But-- so basically we're specifically stating that we're not going to ask anything more of these schools other than that they take the money and they admit these students. And there has been a lot of conversation. I was sitting here reading through all these studies, talking about outcomes related to these types of programs, and maybe I'm in the wrong place, but all of the studies that I'm falling onto show either no improved outcomes or negative outcomes when people take advantage of these opportunities. And Senator Lowe was talking about how let's think about the children, consider the children. That is our charge when it comes to this particular conversation. What is best for the kids? And my thought on this topic, whenever I think about it and I revisit it-- and like I said earlier today, I've got a lot of feelings about this topic and a lot of thoughts, but my thought is when we go-- our obligation is to create a system that fosters success for all children and that's why I was drawn to ideas like the ones that I have proposed, like the Earned Income Tax Credit and housing stability and food stability and things other people have talked about because they're not directly related to education in the sense that they're not education policy, but they do really address a broad group of children and it has improved outcomes. But ultimately, my question is-- reading these studies and reading this portion of the bill-- I don't see how we're going to-- if we

implemented this as a pilot program with a, a five-year sunset, how are we going to measure success? How are we going to know whether this, this is a successful program or not if we're not asking these schools to be held to the standards that we're asking the public education system to be held to? So I guess that's a, a rhetorical question or if somebody wants to, to answer that, they can, but I think if we actually want to figure out whether this was a good idea or not, we would have-- that would be part of it and say here's a rigorous model to test and to compare and to figure out whether or not this is going to be successful. All of the-- a lot of these other states have similar problems where they have trouble determining the outcomes because of the lack of regulation of the private school market, I guess, and so I think that is an important part is that we need to subject schools-- private schools to the same oversight testing, reporting that we subject everyone else to. And I think part of that is Senator Hunt's amendment here to expand the anti-discrimination--

FOLEY: One minute.

J. CAVANAUGH: --and holding them to that standard. And so I, I don't know how much time I have left, but I, I-- again, my-- I don't want to go into the subject matter of why that's important when it comes to these private schools, but there are countless examples of types of discrimination against people who work at these schools, who attend these schools, who are not-- do not feel comfortable. And when people say that that does not happen, I spent 16 years in Catholic school myself. I told you that earlier. I send my kids to Catholic school by a choice that I made, knowing full well that this happens. And I can tell you, if they-- if people are telling you that this is not happening, they don't know what they're talking about. And so I send my kids to Catholic school because I want them to go to Mass and I want them to learn the gospel and the Bible and I want them to get that education and I address the equity piece myself because that's a responsibility that I feel that I have to. I do think that it is an integral part of my faith is to make sure that that-- I think that is part of the religion and part of the teaching--

FOLEY: That's time, Senator.

J. CAVANAUGH: I'm sorry?

FOLEY: That's time.

J. CAVANAUGH: Oh, I didn't get my minute. Thank you.

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FOLEY: Thank you, Senator Cavanaugh. Senator Dorn.

DORN: Thank you, Lieutenant Governor. Thank you for the conversation today. Thank you for Senator Linehan bringing this bill. Part of what I-- well, originally I didn't even think I'd talk about anything today. I just wanted to listen. But I've heard quite a few senators and I, I think the main theme as we go through this today should be the kids and I've heard quite a few senators today talk about that. John-- Senator Cavanaugh just talked about that again. The most important thing here as we have this discussion today is the kids. I firmly believe that most of the senators here, if not all the senators, have that as their number one goal today here. I want to fast forward a little bit though. The kids-- all the children that are in first through 12th grade today, if you fast forward 20 years from now, they will be our future leaders. They will be our future workforce. They will be parents. They also may be one, two, or three or ten state senators in that group. They will be making a lot of the decisions we are here today-- having a lot of this discussions we are, not only about property taxes, but also I think this very important subject that we have in the state of Nebraska, education. And as we talk about funding, funding the budget, as we talk about funding property taxes, as we talk about funding, yes, a very important part is the education and the education system we have in this state. It all sometimes works together. And then yet we as state senators sometimes-- you know, I feel some days we have 49 different opinions out here on the floor. We sometimes get in the way of each other, but I really, really do appreciate the discussion today. I appreciate some of the different thoughts or concepts. Thank you for letting us have this discussion and, and making sure that we do not take something like this lightly. And with that, I will yield the rest of my time to Senator Briese.

FOLEY: Senator Dorn, who are you yielding to? Oh, Senator Briese has been yielded 3:00.

BRIESE: Thank you, Mr President. Senator Linehan, in the spirit of compromise and accommodation, has offered the body some changes here. Instead of a one-for-one credit, she went to 75 percent and that really, in my opinion, helps to fulfill the goal of an incentive and that is leveraging state dollars to encourage, incentivize, and generate contributions to these schools. I think that's a good tweak that will help us realize the benefits of this program. It spreads these dollars farther and it increases the benefit to the taxpayer as well. She's further limiting the maximum contribution per taxpayer to five-- \$5,000 for individual, \$10,000 for a company, as I understand

it. And that, too, enhances the effectiveness of the program by making these dollars go further. But maybe most importantly, she's going to sunset this thing in five years. And we need to recognize that in five years, it's going to take 33 members of this body to put this program back in place. So we're not locking ourselves into this thing. I called it a pilot project earlier and this really makes it a pilot project. It will have to prove itself. If it doesn't work as described, it will expire. Folks, what Senator Linehan has done here really represents responsible, defensible policymaking. And at this point, based on the changes she has offered, what's in the amendment to begin with, I really have difficulty understanding opposition to AM762. I would ask for your support of AM762 when we get to it. Thank you, Mr President.

FOLEY: Thank you, Senator Briese. Senator Geist. I'm sorry, Speaker Hilgers for an announcement, please.

HILGERS: Thank you, Mr President. Apologies, Senator Geist. Colleagues, I want to give you a little update as to our schedule for the rest of the day as I've tried to do every day that we've gone late. So cloture, if we get to cloture on LB364, we'll be at 6:49 tonight. That will be eight hours, so 6:49. After cloture, we will take about a 30-minute dinner break and then we will come back and pick up on the agenda with LB452. So cloture is at 6:49. We'll take about a 30-minute break and we will come up-- and, and pick up on the agenda. And depending on our progress, we'll, we'll make a determination about how late we go, but be prepared to go for a couple of hours at least after we come back from that dinner break. Thank you, Mr. President.

FOLEY: Thank you, Mr. Speaker. Senator Geist.

GEIST: Thank you, Mr President. I guess if you're going to be upstaged-- to have the Speaker upstage you, that's probably good. I just want to speak to some of the great private schools that are in my district. Those private schools include Lincoln Christian, Saint Joseph's Catholic School, and Villa Marie Home and School for Exceptional Children and the reason that I bring this up is because I want to respond to some of the criticism that was earlier this morning saying that this bill would not be able to help children with special needs. Villa Marie is a Nebraska Department of Ed Rule 14-approved, K-8 nonpublic or private school. Villa Marie is singularly dedicated to serving children in need of special education services and was established in 1964. The Marian Sisters of the Dioceses of Lincoln have helped run the school throughout its 67-year history in the

community. The sisters, along with the other education professionals, provide high-quality instruction to both day students and boarding students. This is the only facility in the-- in Nebraska that offers such education and supervision, with all the teachers being certified in special education. It has a capacity to serve 24 students and this year, it has 20 students. In other words, Villa Marie is a very special place and has a long tradition of serving some of our at-- most at-needs children. Notably for some time during its history, public schools such as Lincoln Public Schools used to contract with Villa Marie for special education services, as Villa Marie was actually better suited to meet the educational needs of some of the public school children with special education needs. While Villa Marie is a Catholic school, it does-- all of their students are not Catholic. Children from all over Nebraska attend Villa Marie. Over their history, a large percentage of students are eligible for free and reduced lunch and because of the difficult and strained financial situation of many of the families and the unique learning needs of each student, tuition is determined on a case-by-case basis. If Villa Marie was not able to take into consideration the financial needs of each family, it would cost \$20 to \$20,000 a year in tuition for each child. I've been especially encouraged by the sisters at Villa Marie and the students at Villa Marie. They visited my office pre-COVID. I hope to have them back once all of our restrictions here at the Capitol are lifted, but such a wonderful group of individuals, both students and sisters who come together to make a wonderfully positive environment that in and of itself cannot be recreated in the public schools or if it could, it hasn't been. And then briefly, I also just want to speak to the wonderful tour that I was able to be on with Senator Linehan and how the-- those that were-- the superintendents and principals and those that are the head of the consortium that, that presented to us just expressed that the very foundational teaching that they rule from is the basic dignity of every human being and how they are committed to walking with each student in their growth, in their personal growth, their personal journey through school. It was a very inspirational and encouraging time and I would encourage any of you that haven't taken those tours that Senator Linehan sets up, I would encourage you to do that. I know I'm excited to visit Street School next and that seems to fit with a lot of other interests that I have and so I'm looking forward to that. But with that--

FOLEY: One minute.

GEIST: --if I-- there's any extra time in my time, I would yield that to Senator Linehan if she has anything else she would like to say.

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FOLEY: Senator Linehan, roughly one minute.

LINEHAN: OK, this isn't long enough to do this, but just the short cliff note version of the constitutionality. The Supreme Court, the U.S. Supreme Court, other courts all over the country have said these kinds of tax credits are constitutional and here is why. It doesn't go to a school, doesn't go-- it goes to the child and the parent, so any, any talk about this not being constitutional, there's confusion as to what it does, which is a little disappointing-- I mean, somebody that's not even read the bill. But the money goes to a scholarship-granting organization, which ultimately it goes to the children and the U.S. Supreme Court has found this constitutional. And then as long as we're going to hear the other thing that--

FOLEY: That's time.

LINEHAN: --I think some of my colleagues--

FOLEY: Senator, that's time.

LINEHAN: --are referring to--

FOLEY: That's time, Senator. Thank you, Senator Linehan.

LINEHAN: Next time.

FOLEY: Senator Pahls.

PAHLS: Thank you, Mr. President. As I stated earlier in the bill that I still have laying on my desk, I want to show the parallels to this bill and to also the bill that we're currently talking about. We have the students over 100-- I think 116 different schools, schools in need. They've taken a look at their tests, etcetera, etcetera-- the state department has. They have legitimate information of why these schools are in need. Another parallel to it, we have public foundations. As I stated earlier, the 32 that are currently on this list raised over \$64 million. And the interesting thing, what they're a little bit concerned about, theirs is a tax deduction, but the other bill is a tax credit, so you can see there is a difference, but there are a number of foundations already established and I'm sure additional ones could be established if they're-- if they knew there was more money involved. I'm looking at some of them just-- again, I'm not going to repeat the whole list. I see Beatrice, Grand Island, Norfolk, Minden, Kearney, Wayne, Scottsbluff, Ogallala, throughout the state, so we have that already in place. Students, foundations, and better yet, the other bill does not have in place-- there is

accountability. And this is one school that was on the high school that was evaluated in the past, there are 33 pages of evaluations. All kinds of reading, math scores, parent involvement, leadership involvement, the culture of the schools, it's all those things that are major factors why school is successful. It's not just achievement test, because you have to take into consideration the surrounding areas because some areas it's-- they have more needs than others and that's probably why some of those schools do score a little bit lower because they do need additional help. I mean, they even get into the basic facts as how many teacher absences there are. If I were an administrator and I saw a number of teacher absences, oh, there's something wrong, especially when you could not find substitutes in, in this particular building. That would also concern me. Why do teachers not want to go to this building? Mobility, how many students move in and out. It's hard to evaluate a school when you have constant mobility. There are so many factors involved other than just the money that we need to think about. Again, we have the schools. We know where we need to go to work. We have that. We have the foundations that we could contribute to if we so chose, just like in the Catholic or the nonprofit schools. Kids-- and we have assessments. That's the kicker because we'll know whether those schools are making some gains because I can tell you, give me the kids, but if I don't have to tell you what has happened to those kids in a few years-- I'm assuming in the Catholic schools, great things happen. I'm not even coming close to denying that, but in the public schools, you just can't say we're a good school. You have to look at raw data and I mean, this is tough stuff. If you start looking through some of these schools, I can see why they need help. So you have that intervention team come in--

FOLEY: One minute.

PAHLS: --and you set goals and you look at all the reading scores, the math, etcetera, survey the attitudes, parent involvement, and you start finding out what areas that we need to improve in. They're called plans of action or plan of action and you work on that, you evaluate it, and you share it. Some school districts, they share that information throughout the school district. In fact, when I left, all the data from one school was shared with all the other school and its schools and it was made available to everybody. We even got to the point where they grade-- you could grade a simple thing on, on one of the surveys, which is randomly selected by the board, not by the individual administrator, grade your school A, B, C, D, or F. That was all compiled and that was shared. And also getting back to-- on the state, we need to get some more help from the state department.

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FOLEY: That's time, Senator.

PAHLS: Thank you.

FOLEY: Thank you, Senator Pahls. Senator Machaela Cavanaugh.

M. CAVANAUGH: Thank you, Mr. Lieutenant Governor. So I want to speak to the board first. I had nothing to do with anybody else's motions that they've put up there. Senator Wayne and Senator Pahls did that of their own volition. I had nothing to do with that. This is my strategy. My strategy is to keep priority motions on the board so that when it comes to cloture, we're voting on the bill. That's my strategy. And if there's any question or concern, I am the absolutely most transparent person in this body to my own detriment. I vote counted for Senator Briese while I was filibustering Senator Briese's bill. Like, I am not here to not be transparent. I have committed to the, to the Clerk and to the Speaker that I won't pull my bracket motion, so I'm not going to be pulling it and trying to get back in the queue. I don't want to get back in the queue. Everybody's got things to say. I've got things to say. I'm not trying to jump any lines. This is it. If you want to vote on my bracket motion, let's vote on my bracket motion. I'm here for that. I'm not going to pull it. I actually think we should vote on this bracket motion. We should bracket this till next week. It is a genuine motion because if we bracket until next week, Senator Linehan might have the opportunity to work on the compromise that she's hoping to work on on the floor. I don't think she's going to get to a floor compromise, so let's bracket it till next week, pick it back up then. That would require apparently-- we would have to talk to the Speaker about whether or not he would schedule it again, but as far as I know, there's nothing stopping-- if we vote to move it to May 5, 4, then we can move it to May 4 and we can talk about it on May 4 and we can work out our differences between now and May 4. And if I thought that there were 33 votes for cloture, I wouldn't make us stay here till 6:45 tonight, but this is how things go. So there aren't 33 votes for cloture so I have to take it eight hours or we can vote on the bracket motion, we can move the bracket motion forward, and we can move to the next bill. It's just as easy as that. I don't appreciate the criticisms or the pushback from anyone in this Chamber for me doing my job. This is important to me, just like it's important to Senator Linehan, just like it's important to Senator Briese. This is important to me. You don't have to agree with me, but as long as I am following the rules and doing my job and advocating for what I think I should be advocating for, don't give me guff. I am interested in some of the things that Senator Linehan has said, but I will be steadfast in my

opposition. Now if, if somehow we get to a vote on the bracket motion-- which, by the way, I don't control the queue so if we get to a vote on the bracket motion, we move that to next week, maybe she gets her 33 votes between now and then. I'm not going to be one of them, but if she has 33 votes, I can't stop that and I won't. This is how it works. This is how a filibuster works. On Senator Brieese's bill, when I figured out that I did not have 17 votes to stop cloture, I stopped. I stopped filibustering. I think we had, like, two hours left on his bill, but I stopped filibustering because why, why would I filibuster for two more hours when I knew that it was-- I was going to lose? I gave you all two hours back of your life. And it's the same thing with this bill. If there are 33 votes for cloture on this, then 33 of you make a deal. I'm not making a deal. I couldn't-- I can't be more transparent than that.

FOLEY: One minute.

M. CAVANAUGH: I don't appreciate anyone accusing me of being disingenuous. I oppose this bill. I have so much respect for Senator Linehan, so much respect that I went on the tour with her. I appreciated her reaching out to me. I don't like tax incentives and I don't like tax dollars being able to go to things that inherently can discriminate. I don't like that. That goes against my views of public policy and I am steadfast in that. I will not divert from that. And I have stood here last year with LB1107 fighting that fight just as much. I don't like tax incentives. It's not public school versus private school to me.

FOLEY: That's time.

M. CAVANAUGH: Thank you.

FOLEY: Thank you, Senator Cavanaugh. Senator Flood.

FLOOD: Thank you, Mr. President and members. Senator Machaela Cavanaugh, I'd like to spend our time on this floor talking about some of the ideas that Senator Lou Ann Linehan has brought forward to make the bill better. And I wish we didn't have these motions for dilatory purposes because our time is better spent, in my opinion, on the floor of the State's Legislature talking about solutions, talking about ways we can find compromise. I don't begrudge your right to file a motion, but I'm telling you, in my opinion, that if, if the point of this is to not get to any substance, if you're sitting in your living room somewhere in middle Nebraska, it's got to be frustrating to watch your government at work. It's frustrating for me. And no, you don't get to

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take time away from my life and all this other stuff. For me, it's about the policies, what's going on, what we're talking about on the floor, and the fact Senator Linehan put in here-- it talks about going to \$5,000 per individual or \$10,000 for a corporate donation. I'd like to vote on that. If it makes somebody-- if it brings one of us closer to being for the bill, I'd like to vote for it. If it's even just a discussion that we can have so that if you've got the votes and you're going to kill it, you're going to kill it, you're going to kill it, and we've got to listen to the bill being killed, killed, killed, killed, killed, then OK, fine. At least we know for next year on the Revenue Committee what this will of the Legislature is. Next thing is the sunset. Five years seems reasonable to me. If we have a sunset on this, we have a chance. There's no other school funding program out there that's got any kind of a sunset on it. Let's see what happens. You may be against it. You may find that there's somebody that this law touches that changes the trajectory of their life. And I know that's going to happen because I've seen it happen. Senator Blood, I want you to know that the Children's Scholarship Fund sends out probably 85 percent of the money that it raises in the same year for scholarships. And those scholarships change lives for families that can't afford it. And then there's dropping the deduction to meet Senator Briese's bill at 75 percent. Maybe somebody wants to try 80 percent. I'd like to sit here and be engaged in finding different ways to make it better. Is there a bill out there that I would filibuster and want to do bracket motions on? Probably. I mean, I haven't thought about it. I've been on the losing side of every cloture vote this year. I was with Senator Morfeld on LB88, I was with Senator Briese on LB408, and I'm going to be with Senator Linehan on LB364. But let's get to the meat of this. Let's talk about what could happen. Senator Hilkemann, will you yield to a question?

FOLEY: Senator Hilkemann, would you yield, please?

HILKEMANN: I will.

FLOOD: Senator Hilkemann, I know that you have concerns with this bill and you're inclined to vote against it. When we start talking about putting a sunset on it, five years, dropping the individual contribution, you know, \$5,000 and putting a reduction in the deduction to 75 percent, does it-- does that make the bill more attractive to you?

HILKEMANN: It does make it more attractive to me.

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FLOOD: OK, thank you. I appreciate it. Senator McCollister, would you yield to a question?

FOLEY: Senator McCollister, would you yield, please?

McCOLLISTER: Yes.

FLOOD: Senator McCollister, I know that you've expressed concerns. How do the changes that Senator Linehan has proposed-- I mean, what does that do for you in terms of where you're at on the bill and does it make it a better bill in your mind?

McCOLLISTER: I think it makes the bill more attractive to some senators in the body, but I'm philosophically opposed to using tax credits for such an endeavor.

FLOOD: No, I think that's a fair answer. Thank you, Mr. President. Senator Lathrop, would you yield to a question?

FOLEY: Senator Lathrop, would you yield, please? One minute.

LATHROP: Sure.

FLOOD: Senator Lathrop, you expressed the value that you felt these schools had. I know for the reasons that you stated on the floor, there are, there are a lot of hurdles for you to vote yes on this. What, what value do you see in having conversations about elements that would make a bill that-- even maybe one you couldn't support better? What is the value in having those conversations?

LATHROP: Oh, I don't mind it and I certainly don't have any reason to stop or try to interfere with a dialog on what could be done to, to tweak the bill. I think that's, that's a worthwhile conversation.

FLOOD: Of the three ideas, the individual-- or contribution going to \$5,000, the sunset, or the, the deduction going to 75 percent, which one do you like the best of the three?

LATHROP: You know, you know, Senator Flood, I'll say this, that I, that I share the point of view just expressed by Senator McCollister. When I have an opportunity to get on the mike and I'm in the queue, maybe come up in about 20 minutes, I'll have an opportunity to, to share some more thoughts of mine, but mine is more of a philosophical concern--

FOLEY: That's time, Senators.

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LATHROP: --and I'd be happy to talk more about it--

FLOOD: Thank you.

LATHROP: --the next time I get on the mike.

FOLEY: Thank you, Senator Flood and Senator Lathorp. Senator Vargas.

VARGAS: Thank you very much, President. This is my first time talking on this and part of it is because I'm, I'm very conflicted. I've been pretty honest with people off the mike about this, a lot of honest conversations off the mike with people about this, and here's part of the reason. One, I, I don't like, I don't like sweeping generalizations about legislation. I don't like sweeping generalizations about how we view this policy. I mean, you could be against it, you could be for it, and you might have-- either your ideology or a talking point on why you're for or against this. That's fine. One thing that I will fundamentally say, at least my opinion is this isn't whether or not you're supportive or not of public schools. I just-- I don't see that. I've, I've had a strong voting record for public schools and I will continue to do that. I believe we need to better fund our schools, better fund our teachers, provide more equity in the system. I'm sure the Education Committee is probably tired of my introductions in their committee because I introduce so many bills there. I, I-- that is a fact. I care about that and they know it. NSEA has come and supported my bills. Teachers have come and supported my bills because I believe we need to do more. I also believe our system can be better. It can be substantially better. If you ever come and tell me either on the mike or off the mike that you think our schools are, are great, I'm going to tell you that's not fair and that's not an accurate representation because if they were, every single one of our students would have a fighting chance to be able to go to postsecondary education and we wouldn't have as many individuals that are not graduating or graduating with a degree that doesn't mean that they're prepared for our, for our state and our society. I have had this conversation so many times with Justin because we were on the school board and we were ostracized for having this conversation, so I, I just want that to be very clear on the record. I fundamentally support our public schools. I don't believe that this is what this is about. I do think we need to improve our system, so we clearly have to do that. I still think we're going to run into some roadblocks-- I hope we don't-- if we're trying to improve and reform our system. No different than foster care or child welfare or Corrections. We clearly need to reform and improve our system. Doesn't mean just changing it just to change it. It means incentivizing, supporting, more funding

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with more accountability and transparency. That's possible. If you want to talk about how we can do that, we can do that. Other states have done it. Not the most popular thing, but we can. I do want to appreciate and applaud Senator Linehan. It's likely not easy to bring this bill every single year and die, although some of our bills die, so I have empathy, maybe not sympathy. But at the same time, I'm hearing rhetoric on all sides of this. On one side, I'm hearing some of, some of my colleagues talk about we need to support families and kids and there's competition and we need-- that's good for that and I, I, I personally don't-- that is hard to hear. That's really hard to hear. We have a lot of bills here that have died or don't move forward and don't get out of committee that help families. If that's the reason why you're viewing this bill solely, but you're willing to fight and kill other things, I really think we need to look ourselves in the mirror and think differently. But on isolation on this bill, I do think it can help families. You could debate whether or not it's the right policy mechanism, it still does. But then I also look to the other side of people that are opponents of this. And if you're trying to say this a bad policy for kids, I have kids in my neighborhood. I have kids, friends of kids, friends of families that take advantage of scholarships, go to-- take advantage of being able to go to one of these schools and are doing it because it's the choice that they made because they have some privilege that they've been able to exercise or they make really stark sacrifices to make sure they can go to, to go to a, a private or Catholic school.

FOLEY: One minute.

VARGAS: So I just want to say that because I am willing to try to see if there's a way to improve the bill from General to Select. I am absolutely willing to do that and part of that is once upon a time, I was doing this type of policy work. Intent still matters and if you're doing this and you're not educated about why it's important, how it helps kids, and you're getting on the mike and talking about it, it's really frustrating. But if it's really trying about making the bill better, I confess I, I told Senator Linehan that the \$5,000 is, is, is, is something that other states have done and it's a good suggestion and she's talking about it. It's a good suggestion. I am willing to have that conversation between General and Select. I hope we offer that same type of collegiality to other future things. I really do. I haven't seen enough of that. I know Senator Flood talks about doing that, but we haven't seen enough of that on a couple other things. So I hope we can do better.

FOLEY: That's time.

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VARGAS: Thank you.

FOLEY: Thank you, Senator Vargas. Senator Linehan.

LINEHAN: Thank you, Mr. President. I yield my time to Senator Wayne.

FOLEY: Senator Wayne, 5:00.

WAYNE: I'm not going to spend a whole lot of time arguing anymore because what I find ironic is the people who oppose school choice in this matter are the same people who have school choice themselves. Let me repeat that. The people who oppose school choice in this matter have school choice themselves. We talk about people who send their kids to private school. We opted to send our daughter to private school this year. That's not why I'm doing this. I've struggled with this issue forever. I was fortunate enough because I could afford it. A family member was fortunate enough because my family was able to afford it for them. But how many other kids that my daughter and that he went to school with couldn't get in because they couldn't afford it? They couldn't afford it. And you say, well, just go out and get a scholarship, raise the money. That is the purpose of this bill, to make it easier to raise the money. We are talking 400 to 700, depending on which school they go to and the price of that tuition. And here's the most ironic part I just heard today while I was listening, a mixed individual on this mike, Native American on this mike, Senator Vargas on this mike. We're all saying for our community, we want to move this bill from General to Select, but yet black lives matter, brown lives matter, but the people here are saying let's move it to General-- Select because it's convenient when it's something you want. It's not convenient when we demand choice for our neighborhood schools, for our families, for our families. We can have the broader, broader discussion. And in fact, I'm going to commit we will get up or down vote on "saidsunning"-- sunseting TEEOSA by the end of our biennium. We are going to get an up or down vote this session on sunseting option enrollment on this biennium. Because what I've learned in this body, particularly with the property tax and the Imagine Act, we only act when it's sunsetted and then we got to decide whether we want to keep it or not. But as long as it's going, we just keep pushing the can down the road. I'm committed to figuring out how to do TEEOSA better. I've said it all the time. I've introduced bills on it. I'm committed on making sure our lowest-performing schools have turnaround programs and items that Senator Pahls is talking about. This is not a either/or. And whoever's making that argument, stop. That's disingenuous to my community because that's what I've heard over and over on this floor. It's property tax or property tax relief.

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No, no, it's not. We can have both. And here's the difference. The difference is changing a school takes years. Offering a scholarship for that parent and that kid to have choice starts next fall. That's 400 kids who have an option to a better school if they deem it to be that way. Otherwise, that kid is going to sit in that school, graduate from that elementary school, move to elementary [SIC] school before that school gets fixed. So now we got to fix the middle school because he's already behind from the elementary school we didn't fix quick enough. And if we wait any longer now he's in high school or she's in high school and we got to fix the--

HILGERS: One minute.

WAYNE: --high school problem. But let's hope, let's hope, Senator Lathrop, that person don't goes into a juvenile system because we know 50 to 80 percent, depending on which-- which jurisdiction and which color and which zip code go into the prison system. That's why this is so important to me today. It's so important to me today is because when my daughter walked around and said, I'm going to a private school, there was so many kids in the neighborhood, so many kids we interact with saying I want to go, too, couldn't, not because they didn't have space. There wasn't funds available. That's what it's about, a mechanism to encourage a greater scholarship. And then if we fix our public school system and in five years after this sunset, I'll be the first one to come down here and say, get rid of the scholarship fund. We fixed the schools. That's why we asked for a sunset provision. It's a pilot program. We're piloting programs for the most expensive air filters that I've seen in America.

HILGERS: That's time, Senator.

WAYNE: We've approved that. I'm OK with it. I like it. It's a great idea. Let's try it. Let's try it.

HILGERS: It's time, Senator.

WAYNE: Thank you, Mr. President.

HILGERS: Thank you, Senator Wayne and Senator Linehan. Senator Groene, you're recognized.

GROENE: Thank you, Mr. President. Beware, Senator Wayne. Don't question the education establishment in this state. Don't ask questions. Don't look for quality change. You'll only be a cheerleader. You will never be chairman of the Education Committee because the establishment will get you. That's all I did for six years

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on that committee, was ask the hard questions. And all I got from them was give me more money. Give me more money. You've seen the salary of-- of the Superintendent at LPS, but this bill has nothing to do with public education, absolutely nothing to do with it, nothing. It has to do with opportunity for a youth. Senator Vargas had a bill. Senator Vargas had a bill about his AmeriCorps, about a tax break on what they've got and we give it to him. We didn't ask what school they were going to go to, Creighton or the University of Nebraska. We didn't care. It was an opportunity. Did we? As far as constitutionality, you ever hear of NOG from the lottery funds? That's tax dollars to go to kids at Creighton, Wesleyan, Midland, UNL. And because they're direct grants to the student. But this is a whole different ball game here. The Opportunity Grant Fund isn't even state dollars at all, has nothing to do with state dollars. As I said earlier, if this is illegal and unconstitutional, then the fact that I can write a check to St. Pat's High School-- schools in North Platte right now and deduct it and get 6.84 percent off my taxes, then that's unconstitutional because that's all this is. This is a just different form of a tax credit. It's no direct money. It's private money going to individual students. Is Senator Blood-- Flood in the room? I was going to ask him a question. I asked him. He said 400 or so students got scholarships, all right, from the-- from the Omaha Scholarship Fund. I asked him, how many did you turn down? 4,500 students. Forty-five hundred kids reached their hand out for hope, begging for an opportunity and we couldn't give it to them because the education establishment in this state, it runs this state, tells senators what to do, how high to hop. And they answer. I'm not Education Chair because some of them were told how high to hop by their superintendents. I'm happy I'm not there. I am very happy I'm not on that committee anymore. I'm getting more done. We have too strong an education establishment in this state. I went to some conferences, only went to one or so. I asked some of the other education committee and what about you administrators? How much power do they have? And they said, what, administrators? We don't even talk to them. You know why they have so much power on here? It's called a committee hearing. We have a problem in this state and their only answer is give me more money, not Step Up to Quality. Senator McCavanaugh, I mean Cavanaugh, John, you want accountability? You look at the private schools' graduation rate, the percentage of kids that go on to college. That's accountability. That's accountability. And they're mix of kids, has more poverty than probably most of the schools do in Omaha because they take the poor kids. I don't care what they did 20 years ago. That's what they do now. That's what they do in North Platte a lot.

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They need more help. That's all we're trying to do is help kids. This has absolutely nothing to do--

HILGERS: One minute.

GROENE: --with public schools, absolutely nothing. This is do you want to give kids an opportunity? Senator Wayne is correct. Most of you can send your kids anywhere. I was a dirt poor farm kid. I went to a Catholic school at the end of the driveway because that's what was there, out in the country. I don't know what my folks had off-- give, but we didn't have much. People who don't have that opportunity-- the chairman of the Education Committee sends her kids to a Catholic school. Fine, give everybody that opportunity. That's all we're asking here is a foot in the door. Give these kids an opportunity and don't whine because you think somebody shouldn't give their own damn money and they shouldn't be looking for a tax break. If that's what it takes to give them a tax break to do it, let's give them a tax break. It doesn't harm the public schools at all, has nothing to do with them. It's opportunity for poor kids.

HILGERS: It's time, Senator.

GROENE: Jesus.

HILGERS: Thank you, Senator Groene. Senator Hilkemann, you're recognized.

HILKEMANN: Thank you, Mr. Speaker. You know, I was asked whether this would make the bill better. Anything that can make a bill better is-- is encouraging. And-- and so that's why I answered. That does not necessarily mean that you're going to jump up and down and support the bill. But I think that we have-- it-- if you-- we have to be working to improve the bills. Senator Linehan, I wonder if you would take a couple of questions from me.

HILGERS: Senator Linehan, would you yield?

LINEHAN: Certainly. Thank you.

HILKEMANN: In my-- in my research prior to this, because I studied this fairly quite a bit. There are 18 states that have these Opportunity Scholarships. And in my finding and-- and you've already said you'd go to 75 percent, I saw many of the schools where it's like 25 or 50 percent. And there was none of them that were at 100 percent. Is that correct? Is 75 percent that you're talking about, is that what most of them do now?

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LINEHAN: I have some examples here. There are some-- there are several that are 100 percent. So in Georgia and Oklahoma, I can get to those, but Florida, Nevada, Louisiana are all at 100 percent. Alabama's tax credit is capped at 50 percent of your tax liability. So your tax liability, but that's the same as we're doing in this bill. And in Alabama, the individual cap is \$75,000. Corporations are capped at 50 percent of the liability. I do think Iowa's might be 80 percent. I'm trying to find-- I've got-- I'm buried in information and I'll keep looking here if I can find all the states. I think I have it here, but I haven't found it yet.

HILKEMANN: I also saw that some of these schools, it's not actually funded by [INAUDIBLE] incentives, but it actually comes through their insurance, to the insurance products. So I think that's the case in Florida. Am I correct?

LINEHAN: Well, Florida is-- the way I would explain this is like we're at the very starting line in doing anything and Florida is way out there. In Florida, they have-- they have very, very robust school choice. You have Methodist schools and Lutheran schools and Christian schools and nondenominational schools. And actually, for the last 10 years, as they've been moving to more school choice, their scores overall in all their public schools have gone up.

HILKEMANN: Well, they have a huge charter school movement in-- in-- in Florida as well as in Phoenix. Do you think that this starting with this, that this is the start? If we do-- if we start off with these Opportunity Scholarships, will we soon be looking at charter schools here?

LINEHAN: No, I don't think that's going to happen.

HILKEMANN: OK, thank you.

LINEHAN: And I'll-- I'll tell-- let me-- can I just-- this is why I don't think it happens. [INAUDIBLE] people love their public schools here. I get that. Again, I live in Elkhorn. People are paying a fortune to live there. But-- but here's-- here's the deal. That's not everybody's opportunity. We don't need to do everything here. We just need to focus. We've had a lot of talk about let's fix everything. Let's focus where we got real serious issues. This bill only covers children who are qualified for free and reduced lunch. That's where our issues are. People want to, like, look where there's-- I'm not trying to fix things that aren't broken and I'm not even saying it's broken. I'm just saying let's, like, take a tiny little baby step and

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see if it works. It's sunset. If it doesn't work, we'll do away with it in five years.

HILGERS: One minute.

HILKEMANN: When you took-- you took us to the-- to Holy Name the other day. The principal there said it was \$15,000 a year to educate a child at that school. So what this program would be looking at would be maybe at most educating about 350 students. Is that kind of what your anticipation of this would be?

LINEHAN: No. Here's the situation with most of the parochial schools, and it depends on the neighborhoods and everything. But the schools rarely, even when you're paying full freight, you don't pay the cost. So the cost is probably-- the different elementary school, let's say elementary, their cost per student is \$7,500. The highest I know in the state of tuition is \$4,000 for elementary in-- in the Catholic schools. I think there's difference depending on what schools you're in. But in almost all of these schools are-- are very, very dependent on the donors and the communities, frequently a church that underwrites their costs.

HILGERS: That's time, Senators.

LINEHAN: Thank you.

HILKEMANN: Thank you.

HILGERS: Thank you, Senator Hilkemann and Senator Linehan. Senator Lathrop, you're recognized.

LATHROP: Thank you, Mr. President. Good afternoon, colleagues, once again. I got in the queue a while ago and I've listened to some more of the debate. And I did hear Senator Pahls say something. And I-- and I just-- I'm going to tell you that I-- I agree with it, which is what we're talking about here today is going to help a limited number of students. And I would acknowledge that it would probably help them. It doesn't help all the rest of the kids that are having problems with the achievement gap. And to me, I-- I talked about this the first time I was on the mike. When I was here during my first term, we were going to fix OPS and we had the conversation about the difficulties OPS experienced. And the-- the solution was to reduce the size of the OPS school board. I don't know if Senator Wayne has been on since then or if he was on it before and stayed, but that was going to be the answer. And so it was like, OK, (slapping hands) problem done, we fixed it, and that was it. It just kind of fell off the-- we stopped

talking about it. Here's my concern. I am-- I am concerned and I think if we're going to spend some time on this bill or talking about these topics, then let's talk about-- let's talk about the solutions for all of the children and not a handful that we can pull off and provide them with an opportunity to attend a different school, assuming those schools even have the capacity to take all of the students that-- that this scholarship might provide. I do know this much. It's way more complicated. When I look at the-- this thing that I got from Holy Name, just talking about the zip codes that these three schools serve, 93 percent of the people they serve are people of color. Their income is about half of the city average; 20 percent of all of the immigrants live in these neighborhoods. One in six do not have a vehicle; 30 percent live in poverty-- poverty; 30 percent of the children don't even have access to broadband. I think that we're missing an opportunity. And part of my concern earnestly, earnestly is we should be talking about the children and the public schools they attend and why aren't they what we hope these children would be able to attend were they to receive a scholarship? I don't think that's simple. I know from conversations that we have or-- or hearings that we have in the Judiciary Committee that a lot of these children grow up and experience trauma. Plenty of them don't speak English. Poverty is a huge problem and they're expensive. But what have we done so far this year up to this point in time? Before we got to this bill, we had a cap on schools to stop them from spending more than 3 percent. We've stuffed money into property tax relief. And we did not talk about the achievement gap during the property tax relief bill. And we didn't talk about it when we were capping the amount of money that these districts can spend. If we're going to be here today, I'd like to really, really earnestly have a broader conversation about the challenges and what the solutions are, because I'm all in. I'm all in. But like Senator Pahls, my point of view would be I don't think we need to--

HILGERS: One minute.

LATHROP: --pass this bill, help a handful of kids, very important, every one of them is a child of God and we should care about them. But that doesn't solve the problem. That doesn't solve the problem. We haven't addressed the problem of why this is a bigger problem than for 400 kids. If it were only 300 or 400 kids, I'd say, let's do it. The problem will be solved. It won't be. It won't be. And at the same time as we're talking about this, in fact, before we ever got to this, we wanted to cap what they could spend and we stuffed money into the property tax relief funds instead of saying, what do these children need? What do these school districts need? And I have to tell you, I

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don't have the answer. I don't have the answer. I don't have the answer, but I know just when I look at the neighborhoods and-- and this is zip codes in Omaha, 104,--

HILGERS: That's time, Senator.

LATHROP: --111, 1-- thank you.

HILGERS: Thank you, Senator Lathrop. Senator Pansing Brooks, you're recognized.

PANSING BROOKS: Thank you. I'm just rising again to talk a little bit. There was discussion earlier about do they take all? Before I say that, I want to say something else. I-- I can't quite figure out what the problem is and why people are giving Senator Cavanaugh, Machaela Cavanaugh grief for following the rules and putting up different motions. We can all-- we are all adults and can speak about the issue at hand. And I've spoken about it. Other people have. Very few people are talking about the bracket. We're all talking about this issue. So I don't know what that all was about. But I think that we've all seen this happen for years in the past with Senator Chambers. So to be critical of her for doing this work, I don't understand and I-- I-- I don't appreciate it. I do-- there have been comments that-- about disabilities and do the private schools and the-- the religious institutions take all students? And the answer was, well, they can't and they don't want to. Exactly. Exactly, friends. They can't and they don't want to. The public schools take everybody. They have to take everybody. So I think, Senator, OK, Senator Linehan, you have something that you want to respond to that. So Senator Linehan, would you yield, please?

HILGERS: Senator Linehan, would you yield?

PANSING BROOKS: I think you did say that statement so.

LINEHAN: I-- I, well, maybe I didn't understand what you said, but I think what I heard and I-- my hearing's getting old, weak. But I think you said they don't want to take all the kids.

PANSING BROOKS: You said and I have it in quotes, they can't and they don't want to.

LINEHAN: OK, then I-- I spoke wrongly.

PANSING BROOKS: OK.

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LINEHAN: They can't. They get no, and I can go back and, they get no funding for special ed from the state or the federal government, none.

PANSING BROOKS: OK.

LINEHAN: So they do the best they can by trying to work with the public schools. And a lot of times there's good relationships between the public schools and private schools. And the public schools provide those services, sometimes even in the private school building.

PANSING BROOKS: OK, so now while I have you, I'll ask you some more questions.

LINEHAN: Yes.

PANSING BROOKS: So you know that-- that my concern is about public schools. My mom was on the school board. You know that I have this very strong passion towards not letting religion become part of this, that we shouldn't be supporting religion. I don't feel like we're a rich enough state to support religious education, although I see its great value and you've shown us that great value as we went around from place to place. But-- and I-- I know that you-- you feel that the constitution says something different than I do. On 529s, we have had a lot of discussion in the past five years about the fact that the constitution and the Supreme Court has ruled that we cannot support a religious institution that has religious tests and prayers and other rituals required to educate the children. So how-- how do you respond to that, Senator Linehan?

LINEHAN: Am I responding to the constitutionality, is that what you're asking?

PANSING BROOKS: Oh, that's fine.

LINEHAN: OK, so the Supreme Court has decided, U.S. Supreme Court has decided several cases related to this. One is-- and I think Nebraska's Supreme Court has decided these cases too-- the money doesn't go to the institution. It's going to the family and then the family decides. So therefore, we are not sending money to the institution, but to the child or parents and they--

PANSING BROOKS: But we're talking about the state constitution, remember, not the federal.

LINEHAN: Well, as you and I--

HILGERS: One minute.

LINEHAN: --discussed, there's a problem with state constitution. It's called the Blaine amendments, which were passed early in the last century because people didn't like the Irish or the Italians or what was then people who were not northern European and didn't have ancestors here for 20 years.

PANSING BROOKS: OK, since I only have a little bit of time, I appreciate your-- your pointing that out. That's not what our current constitution says and there may be an issue. But as it is now, we are violating constitutional law by supporting a religious entity. And that's why I cannot continue to do that. And again, you know, we have LGBTQ people that are being discriminated against all the time, including teachers, and how do we spend those tax dollars supporting that? Thank you, Mr. President.

HILGERS: Thank you, Senator Pansing Brooks and Senator Linehan. Senator Day, you're recognized.

DAY: Thank you, Mr. President, and good afternoon, colleagues. I think we're having some really interesting conversation on this and several points on both sides are being discussed. And I appreciate that today. I did want to go back to what I had mentioned the first time when I was on the mike about making really difficult voting decisions and, you know, my North Star being my kids. I-- one of the reasons, one of the primary reasons I got involved in running for the Legislature was this particular issue. I had testified in opposition to this bill and its different forms over the years and made the decision to run for the Legislature and campaigned very openly and very heavily on support for public education and my opposition to programs like this, whether it's scholarship tax credits or voucher programs. And I, you know, we have plenty of public polling opinion, research data that shows us that this-- these types of programs are not something that voters want. I know that people are trying to convince me that in my district in particular, that this is something that my constituents want. But I believe that part of the reason that I'm here today and part of the reason that I won the race in the district that everybody said I couldn't win in was because I ran very heavily on my support for public education. We don't have any private schools in District 49 and we have three really incredible public school districts in Gretna Public Schools, Millard Public Schools, and Papillion La Vista Community Schools. And many of the young families that live in my district moved to the area specifically for the public education system that's offered out there. You know, we have many new

developments. And so you see those big wooden boards that say, you know, homes from \$250,000 and it'll also advertise Gretna schools; you know, homes from, you know, \$190,000 Millard schools. The schools are a big draw. The public schools are a draw for the people in my district. So I think when it comes to my district, I have shown that this is not something they want. In addition to that, according to recent public opinion poll in Nebraska, specifically, 47 percent of voters oppose allowing parents to set up accounts for private school tuition that they can use as a write-off on their state income taxes, even if it means less, excuse me, if it meant-- means less money will be available for local public schools in Nebraska. So I'll repeat that. The question was, do you support or oppose allowing parents to set up accounts for private school tuition that they can use as a write-off on their state income taxes if it means less money will be available for local public schools in Nebraska? These are Nebraska voters, 42 percent support, 47 percent oppose. So, again, based on the data that we have, we know this is not something that voters want. How much time do I have left, Mr. President?

HILGERS: 1:52.

DAY: Thank you. In addition to that, we also have some data related to the effects of these types of programs on student achievement. I have an analysis of the effects of North Carolina's Opportunity Scholarship Program on student achievement here in front of me. It says the North Carolina Opportunity Scholarship Program is a private school voucher program that provides state-funded vouchers worth up to \$4,200 to eligible students entering kindergarten through 12th grade. Because the public and private school sectors administer different assessments, we recruited approximately 700 students to take a common, nationally normed standardized test. Matching on baseline achievement and rich demographic data, we use quasi experimental inverse propensity weighting approach to maximize comparability between the public and private school student samples. And this is the important part. Our preferred specification--

HILGERS: One minute.

DAY: --examines first-year effects for new Opportunity Scholarship students, revealing positive estimates of .36 standard deviations in math and .44 standard deviations in language. There is no effect on reading scores. Results for renewal students are statistically significant in language scores only. Again, another study from the Brookings Institute on the negative effects of-- of vouchers. And I know that this is not a voucher program, but the net effect is

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essentially the same. Public school students that receive vouchers to attend private schools subsequently scored lower on reading and math tests compared to similar students that remained in public schools. A recent study showed that public schools closed the score gap with private schools, and education as medicine, first do no harm, is a powerful guiding principle. More needs to be known about long-term outcomes from these recently implemented voucher programs to make the case that they are a good investment of public funds. So again, I think when it comes to data that we have relative--

HILGERS: It's time, Senator.

DAY: Thank you.

HILGERS: Thank you, Senator Day. Senator McCollister, you're recognized.

McCOLLISTER: Thank you, Mr. President. Good afternoon, colleagues. This is the first time I've spoken on this issue. Throughout my entire seven years in this body, I've been opposed to the scholarship programs of such kind. What you may not know is that I go back 25 years with Senator Linehan. I met Senator Linehan when she was Chuck Hagel's chief of staff starting in 1996. In fact, my daughter worked for Lou Ann in Washington when she was there for a summer program. What do I know about Senator Linehan? She's politically savvy. We have seen evidence of that. She's tenacious. She's loyal, unflappable, and a fierce advocate for things she believes in. That is abundantly clear. And we've seen evidence of that on this particular bill and other bills that she's brought forth. She's a veteran campaign manager. She has seen every element of politics and is very good at almost everything she does related to politics. Another thing I'd like to get straight is that I have no problem with CUES, the program that helps kids with-- with scholarships and-- and provides education for them. I have no problem with the parochial schools. They do a great job, particularly with the resources they have, no problem with that at all. I have nothing but admiration for what the parochial schools do. But I have a problem with making a special case to give them tax credits rather than deductions like so many other charities get. Scholarship tax credits are more lucrative than other donations. Providing a 100 percent tax credit for such a donation, although that-- that apparently has changed, can result in a dollar-for-dollar reduction in the amount of taxes owed. All other charitable donations reduce taxable income through deductions, which means the tax benefit is worth the amount of the deduction multiplied by the tax rate in the tax bracket in which one's income would have fallen prior to the

deduction. That's my problem. Secondly, scholarship tax credits are not likely to create savings for the state. It is highly unlikely the tax credit would sway enough children to switch to private schools to create savings in public schools. In order to generate savings for the state and reduce-- reduced public school costs, not only would there be a significant number of students need to switch from public to private school, but those students would need to be highly concentrated in a certain school building. A large percentage of public school costs are fixed and can't be reduced without a large reduction in enrollment, for example. So I don't think we can actually save any money. The tax credit feature of the bill gives me heartburn and makes me opposed to the bill. Mr. President, I relinquish the balance of my time to Senator Matt Hansen.

HILGERS: Senator Matt Hansen, 1:42.

M. HANSEN: Thank you, Mr. President. And thank you, Senator McCollister, for your courtesy. It's been clarified a little bit, but I know I was one of the ones who first raised the constitutional concerns. And I want to be very clear. Senator Pansing Brooks clarified this a little bit. My concerns are about the Nebraska state Constitution's specific prohibition on nonpublic schools, nongovernmental schools. That is a specific provision that is relatively unique to Nebraska. So this very well might not violate the establishment clause. And I think that's what some of the federal Supreme Court cases have ruled upon. The federal Supreme Court certainly would be no place to rule on the Nebraska Constitution. People want to dispute--

HILGERS: One minute.

M. HANSEN: --my interpretation of the Nebraska Constitution. That's fair. But I want to be very clear. I'm confining my remarks specifically even to Article VII, Section 11. This is a very specific prohibition. And this is why I would imagine this bill is brought as a tax credit bill and not a direct appropriation because endowing a scholarship fund for only public school, sorry, for only private schools is the problem. Yes, we do things all the time that can have indirect benefits on religious groups, on private schools. Yes, we can do that. We can do that as long as it's looped in with other things. And that is why, for example, some of the scholarships we endow are allowed because they can go to public and private schools. That's why the scholarships and programs we do can go both ways. This bill is written to only give scholarships to private schools for very good

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reason because I don't believe public schools charge tuition. You could dispute that it's an appropriation, but at the end of the--

HILGERS: That's time, Senator.

M. HANSEN: Thank you, Mr. President.

HILGERS: Thank you, Senator Hansen and Senator McCollister. Mr. Clerk for items.

CLERK: Thank you, Mr. President. Very quickly, Enrollment and Review reports LB432, LB595, LB18, LB185, LB630, LB630A, LB388 to Select File. Enrollment and Review also reports LB57, LB261, LB275, LB275A, LB291, LB355, LB669 as correctly engrossed. Senator McKinney would like to offer a new resolution, LR113. That'll be laid over. That's all that I have. Thank you.

HILGERS: Thank you, Mr. Clerk. Returning to debate. Senator Wayne, you're recognized.

WAYNE: Thank you, Mr. President. Colleagues, so now I'm going to touch on your other argument that I'm starting to hear. And it's-- it's been said on the sideline and then Senator Lathrop just brought it up again. I think it's a valid argument, but it's not what we do as a body. And so, Senator Lathrop, I'm going to specifically ask for your cloture vote on this, because I understand your argument. But it doesn't-- and Senator Walz because both of them made the same argument to me. So here's, first, Senator Lathrop, I was actually on the board and led the board to be shrunk. And then I had a-- I asked for a special election, which we got, by this body. And I actually had a rerun. I ran three times in three years because I thought it was important to move from 12 to 9. So I really thought that was a big deal to help start moving the ship, which it has started turning around, but it's-- it's not there. So the argument about this is only 400 to 700 kids, what about the rest of the system? Well, if that's the belief we're going to have, which I say we can have that belief, but let's be consistent, then the next time the broadband bill is up, we got to vote it down because \$40 million only covers 30,000 while there's still another 60,000 out there not covered. So we're not solving all, but it's a start. And it's a start good enough for broadband, but it's not a start good enough for the kids in my district who want to go to a different school. Wait a minute. There's more. We're not going to fix the prison system by building a new prison. But we started this year by moving \$14 million over. It's a start, but we're not entirely fixing the whole system, but we're

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starting to. And that's all this is, is a start. But it gets better. To my rural colleagues, the money you received in LB1107, we want more money this year, it did not solve the property tax problem. But I've never seen you say, hey, let's wait until we get \$4 billion in Cash Reserve so we can solve it all at once. No, we've always said it's a step in the right direction. It's a step forward. It's a step of solving the problem. Well, for these 400 families, the 700 families, it's a step in the right direction for their lives. We can argue policy all day, but when we vote to do things that don't solve the entire system's problems and every other thing we care about, but we don't want to make that same commitment to start to change how we talk about education and do things about education and more importantly, give relief immediately to kids who are from poverty, then I think we're being disingenuous. That's what I meant by earlier. I don't think it's personal and like I'm getting all upset. I'm just saying we're not being consistent. And we're not being consistent oftentimes at the-- at the begging and talking of my community. We want to call out when it's-- when it feels good or when it's to-- to move a political agenda forward. But when it's something that makes us uncomfortable, we want to step back and find reasons. So, yes, it's not going to be solving the entire education problem. But for Tina and her son Carter, it's a damn good solution to them. For Suraya and Arien, it's a damn good solution for them. For Jasmine and Eddie, it's a damn good solution for them. And I can go on and on of the people in my community who were either turned away or had to go find somebody else to raise the money. And that's what we're talking about, real people. It's easy to hide behind a big number of 40,000, 50,000 and not put faces. The difference is I get to go--

HILGERS: One minute.

WAYNE: --see those faces. And just today when I left here, I had a conversation with somebody who knew nothing about this bill and she said I would do it tomorrow if I could. Person from north Omaha, single African-American mother who is at their wits in the school system they're in. And we can say, oh, this is isolated to Omaha. No, it's not. I got emails from Grand Island. I got emails from across the state. This is not the silver bullet. This is not going to change education in Nebraska. It is not going to fundamentally put us on a completely different path as a whole. But for those individual families, it does. And that's what it's about, those individual families that oftentimes come from east Omaha, but not necessarily. They can come as far as Gering, Nebraska. That's what this is about.

HILGERS: It's time, Senator.

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WAYNE: Thank you, Mr. President.

HILGERS: Thank you, Senator Wayne. Senator Albrecht, you're recognized.

ALBRECHT: Thank you, Speaker Hilgers. If I could yield my time to Senator Linehan.

HILGERS: Senator Linehan, 4:55.

LINEHAN: Thank you, Senator Albrecht. And thank you, Mr. Speaker. I just-- I'm going to take just a, maybe a minute or two here on the constitutionality and then I'm going to yield the rest of my time to Senator Wayne or actually Senator Albrecht's time.

HILGERS: You can't. Senator Linehan, you can't.

LINEHAN: I can't, oh.

HILGERS: The time's been yielded to you.

LINEHAN: OK, then I'll take it all. Thank you. Oh, I could ask you questions. OK. Let's go to the constitutional issue. So as Senator Pansing Brooks was kind enough to do this morning, she read what our article, it's-- if you have the constitution, it's-- I can't always find it. But they put it in our top right-hand drawer and it's on page 1 under Article I of Bill of Rights, religious freedom, "the Legislature to pass suitable laws to protect every religious denomination in the peaceable enjoyment of its own mode of public worship, and to encourage schools and the means of instruction." OK, so that was 1875. But then what happened, and I'm not a lawyer, I have two daughters that are, but it's always when I ask them a question, they're very honest. That's not what I do. You have to find a lawyer that knows that. So there are a lot of lawyers who are very focused on this. So but yesterday I was trying to figure out, OK, what-- what happened here? So Jack Spray in my office, told him to go Google the Blaine amendments. So there was a Nebraska constitutional convention in 1919-1920. It was called the Grasshopper Convention, Jack can-- it's actually very interesting reading and we can get you copies of it. So it was after World War II. There was a lot of concern about ethnic groups, like-- like Germans versus Italians, they were not our allies in World War I. If I said II, I meant I, I'm sorry. I do know a bit about that history. So we added a bunch of amendments to our constitution then, one of which is, hopefully I can find it. And I don't know where it's at in the constitution right now. But it was-- this is when [INAUDIBLE] prohibits state aid to sectarian

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institutions. Those are called Blaine amendments. They were very popular at that time. There was a U.S. Senator Blaine, I think, from Maine. I know that because I remember rhymes about the horrible man from Maine named Mr. Blaine. He went across the country. He could not, thank goodness, ever get it into the U.S. Constitution. He tried to, but it was basically an effort to shut down anything that wasn't Protestant. So fortunately, last June, the U.S. Supreme Court struck down the Blaine amendment in Montana. So if we have senators here thinking that they can go to our constitution and pull up the Blaine amendment and say, therefore, this isn't constitutional, and even if we-- as I said before, the money is not going to a sectarian institution. So it's kind of irrelevant. But I'm trying to clear up the water here. And so are we going to take this fight to the end here and go to the U.S. Supreme Court and win? I'm willing because we'll win. The Blaine amendments are unconstitutional. With that, I'll yield the rest of my time to Justin, Senator Wayne. Oh, I can't. I'm going to ask Senator Wayne questions.

HILGERS: Senator Wayne, would you yield?

WAYNE: Yes.

LINEHAN: Senator--

HILGERS: One minute.

LINEHAN: --Wayne, how do you feel about this debate?

WAYNE: It's interesting. So many of the people who spoke against this bill, I just want to remember, remind them that last year they-- they voted in favor of a key employer part of the Advantage, not the Advantage Act, the new one, ImagiNE Act. Let me tell you what that key employer did. The key employer is \$40 million for 2,500 employees, profits over people. So when you stand up here and say this is a bad policy, I need to figure out how you-- how you put that together with giving money to kids to better themselves in school versus keeping \$40 million, taking \$40 million to give to an employer--

HILGERS: That's time, Senator.

WAYNE: --for 2,500 people. Thank you, Mr. President.

HILGERS: Thank you, Senator Wayne, Senator Linehan, and Senator Albrecht. Senator Morfeld, you're recognized.

MORFELD: Thank you, Mr. President. I'm really glad that I went after Senator Linehan after the incomplete discussion of the Supreme Court ruling that just came down, because I think it requires a little bit of explanation and a little bit of context which wasn't given. So in Espinoza, the court did not say that a state has to subsidize private education. That's not what they said. They didn't even say that it's unconstitutional if you don't. They simply say when you do subsidize private education as a state, you can't disqualify a school, a private school simply because it's a religious institution. So there is nothing in the Supreme Court ruling that said that we had to fund private education. It just simply said that if you do fund private education, you have to do so in a nondiscriminatory manner when it comes to private schools, whether they are a religious one or not a religious one. That's all the Espinoza decision said. So you could pass this bill or-- or not or whatever the case may be, but there's not going to be any case that's going to go to the Supreme Court under that that would somehow strike down a portion of our constitution. That's just not the case. That wasn't the holding, it wasn't the ruling, it wasn't the standing in the case. So I just wanted to get that on the record right away. And second, Senator Linehan brings up the constitution and notes page 1, Section I, 4. And yes, at the end, it says, "and to encourage schools and the means of instruction" under the religious freedom, "encourage schools and the means of instruction." It doesn't say fund schools. It doesn't say give tax breaks to people who donate to schools. It simply says "encourage." And you have to read the constitution in its totality. It can say, yes, you have to encourage, you should encourage education instruction, religious or otherwise, but you can also have Article VII, Section 11 that says, "Notwithstanding any other provision in the Constitution, appropriation of public funds shall" be made, shall not be made, excuse me, "shall not be made to any school or institution of learning not owned or exclusively controlled by the state or political subdivision thereof." So first, the religious clause simply says you have to-- you should encourage instruction. And then second, you have to read the totality of the constitution, which has a very explicit prohibition to funding private education. Now that we're past the constitutional discussion, I want to say a few different things. First, what's going to happen if we pass this bill? To be honest with you, I don't think much is going to happen because a bunch of people that are already donating to these schools are simply going to get a tax break for something that they already would have done. That's what's going to happen. Whoever gives \$10,000 to their favorite religious school or private school is simply going to get more of a tax break. They're going to keep doing what they're doing. And

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granted, that funding will have to go more specifically to certain types of children under the bill, but the bottom line is, is that these people are going to keep funding these schools the way that they were before if they're truly dedicated to the mission. They're simply just going to have more incentives to do so. Also, 95 percent of this debate and I've been listening, I've been on the floor the whole day, 95 percent of this debate has been about the bill. So to simply say, hey, please take down your emotions, we can't talk about the bill is just nonsense.

HILGERS: One minute.

MORFELD: We've been talking about the bill the entire time. And if we want to be principled about filibustered, my bill was filibustered two weeks ago. And no, there weren't any bracket motions or anything like that on there. But I actually accepted some of the amendments and I accepted some of the amendments and I didn't even get any votes out of it. So whether you're putting on amendments that don't mean anything or amendments that aren't going to get you on board or whether you're throwing up motions of some sort, it is what it is. And quite frankly, even if we did make this bill quote better, I'm still opposed to it in principle; and that's a very principled stance. It has nothing to do with Senator Linehan. I voted for plenty of her bills this session. It's just that I disagree with this bill. So it's nothing against Senator Linehan. It's nothing personal. It's just in principle I'm opposed to her bill. But I'm going to continue to support several of her other bills, as I always have. Colleagues, again, if we want to--

HILGERS: That's time, Senator.

MORFELD: --address this issue in this problem of the achievement gap,--

HILGERS: That's time, Senator.

MORFELD: --there are more targeted ways to do it. Thank you, Mr. President.

HILGERS: Thank you, Senator Morfeld. Senator McDonnell, you're recognized.

MCDONNELL: Thank you, Mr. President. Back to the discussion that I-- I started this morning about the kids that have been expelled and the parents that have come to me and knowing how possibly their lives are going to go a different direction because of being expelled. And-- and again, as I mentioned, some of the parents said they should have been

expelled. Now, there's some of those parents, of course, that had the option to continue through private education, educating those-- those children. But there's a number of them that live in my district that have reached out and said, what are our options? And as we talked about earlier, OPS, I'm proud that my-- my wife's a OPS school teacher and the job she does and the kids she helps on a-- on a daily basis in a school that is about 90 percent free and reduced lunch, 90 percent Hispanic. It's a great, great education for those-- those kids. Now we talk about the 78 percent that-- that are going to graduate at least back to '18-19 and what happened with the other 22 percent? I don't know. But I do know that if we talk about the kids that are expelled that don't have that opportunity to finish at that school and have to look at other options, now, evidently based on-- I'm very impressed with the Street School. I-- I am. The work they're doing and knowing that these kids were part of that, approximately 90 percent were part of those kids that were expelled. And that also that 90 percent are struggling as a family financially. But they're graduating approximately 90 percent. That's, I just think that's so impressive because these were the kids that most likely would have ended up and we talk about the juvenile justice system and 85 percent, approximately, are functionally illiterate; and then when, as adults in the prison system, 70 percent. And we're going back to at that moment in time, how do we help the kids that don't have the option because their families aren't financially sound at that moment in time so they can continue their education? And we want to talk about overcrowding and we want to try to fix that, that problem. This is the root. This is one of the main reasons that we're having that problem is based on at the early-- at the beginning on the education level; not saying it's the only reason, it's not. But if we can try to help these people that don't have that disposable income where they can choose another school and they have been expelled, they can-- they can go back and appeal it and try to get back, but something's not working for them and give them the opportunity to be the best version of themselves through education, I just want to-- I just want to help one. I just want to tell one parent, one kid that we-- we made a difference. And of course, that's one after another, one after another. But what are we going to do today with this legislation to move it forward to compromise as a group? Because I know one thing about everybody in this-- this room. You care about children, every one of you. You care about their education, every one of you. What can we do for those kids that this current system possibly that they're in or they've been expelled from isn't working for them? What can we do? And we have an opportunity today. I'm not saying that-- that it's going to be a perfect solution, but we can work together. If we move

this bill forward, we can continue to talk. And as a group, we can continue to improve on this bill and possibly help one-- one student and then another student and then another student and then reduce the idea of possibly those children that are in the juvenile justice system with functional literacy at 85 percent and change that they're even in the system. And then possibly if we stop it at that level,--

HILGERS: One minute.

McDONNELL: --we possibly stop it at that level, then we don't have them possibly being incarcerated later on in their life because of-- of the possibility with education. I'm asking you to consider, just consider one moment taking a step back and saying, what can we do with this legislation? How can we amend it together? How can we work on moving this from-- from General to Select, continue the discussion, and really focus on helping those kids that have been expelled that don't have that option, that something is not working for them like a number of the other kids that are currently in that public school that's getting a great education? Help-- help me solve that. Help me be able to give that answer to that-- that parent and give them hope that we are doing something to intervene for their children. Thank you, Mr. President.

HILGERS: Thank you, Senator McDonnell. Senator McKinney, you're recognized.

McKINNEY: Thank you, Mr. President. I'm still no but very conflicted on this bill. I understand the want to have an option. I really do. I just generally don't think that sending especially black kids to institutions where they'll be discriminated against is the greatest idea. I also wonder that, you know, OK, we send a kid from north Omaha to one of these schools. The kid grew up in poverty. Parents couldn't afford to even send them to this school. How are we going to make sure when this kid go home that their lights aren't cut off, that they have food on the table? Those things are other things to consider. And I don't think we're-- we're thinking about that. Just because you send one of these kids to one of these institutions doesn't solve the problem that they're growing up in poverty, that they're growing up in communities that have been neglected for years. That's what's so tough for me, because I was a kid that got suspended a lot in elementary and almost was expelled a few times. And I-- I don't know what my mom would have did if I got expelled. I-- I really don't. My brother was expelled before and luckily he was able to go to another school. I'm just having a tough time with this because giving a scholarship does not erase that the kid is living in poverty, that they have to go home

to places where the water isn't running, the lights are off. Mom can't afford to put food on the table. Those things are still issues and we're not solving it with this. Yes, education is important, but how could you learn if you're living in poverty, if you're going to sleep hungry? How are we solving that problem? This doesn't solve it. It just places you in a place where-- from talking to people that you might end up being discriminated against, hear a racial slur. But you're going to a, quote unquote, good school. It-- that's what makes this difficult for me. I-- I understand the parents in my community because honestly, I posed this question on Twitter and my Facebook, and it lit up and it's split. It's 50/50 for, and 50/50 against. And it's very tough for me, but I just don't see it as being the solution. You know, these kids are growing up poor. What money are we directing to these families to make sure that they're not growing up in poverty? How are we-- I have a minimum wage bill that's sitting in Business and Labor. Let's vote that out so the parents can afford to send their kids to these institutions. They don't have to rely on that. But we don't want to talk about that. You're talking about the criminal justice system, but you want to build a prison for 100 or 200-and-some million dollars, but you don't want to throw that 200-and-some million dollars to the kids and the families on the front end. Let's address poverty. A lot of these kids that are growing up poor, that-- that will end up at these schools are still going to grow up poor and be-- be impoverished. How are we going to make sure that they got food on the table if we don't want to extend SNAP? How are we going to make sure they got food on the table if we're not investing in north Omaha? That's what I'm thinking about. I'm super conflicted on this. Just because I'm saying I'm no doesn't mean that I don't understand because I'm strongly conflicted. Honestly, I'm being as real as possible, I-- I could be. How are we going to make sure that these kids are not growing up in poverty? Just sending them to these institutions doesn't solve it. We need to talk about that.

HILGERS: One minute.

McKINNEY: That's what I think we all should be thinking about. Just-- just to send 400 kids to private Catholic institutions doesn't solve that they're living in poverty. How are we going to solve that? How are we going to make sure that they are not going to sleep hungry with the lights off and heat off and things like that? A lot of you all may not have grown up through that, but I have-- I have, where you go home and the light's off and the heat's off and you've got to boil the water on the stove to take a bath. That's what these kids are going through. And just sending them to these schools doesn't solve that.

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How are we going to address poverty? We need to think about that.
Thank you.

HILGERS: Thank you, Senator McKinney. Senator Blood, you're recognized.

BLOOD: Thank you, Mr. Speaker. Fellow senators, friends all, it's been a long day of discussion, some of it good discussion, some of it people just reading what they've been told to read. But a lot of it has been the information that I've actually learned from. And some of the concerns that I've heard, I start looking for data. And one of the things that became clear to me is that a lot of the data that we're referring to isn't available to us because it's from private schools. So when we're talking about sending at-risk children to private schools and we have concerns about what happens to them within the public school system, how do we track that? They're not obligated to do the same reporting that the public schools are obligated to do because they don't receive public tax dollars to maintain their schools. So we're talking a lot about at-risk kids as this is some kind of panacea that's going to save every at-risk kid that isn't happy in the public school system, even though we already know that the public school system clearly offers school choice, just a matter of how you go about it. So if I were to send my-- my child to public school and there were concerns, how do I document that? How do I prove that if it's not reported to the state? I don't know. And that's a legitimate question I think. You know, I just, I have so many grave concerns, and to be really frank, had I not started tracking the money that's involved with this cause, I probably wouldn't have been really concerned. But when I saw hundreds of thousands of dollars used against my friends in their campaigns when supposedly this is all about the children, Groene said it like three times in a row: This is about the kids, the kids, the kids. Why wasn't this hun-- these hundreds of thousands of dollars spent on the scholarships for these kids that they feel so passionate about? I hope this is OK, but I'm going to go ahead and just say this. You know, our friend, Senator Bostar, these organizations that are pushing for this cause spent \$74,602 to oppose Senator Bostar, who loves kids. He wants them to have a healthy environment. That's why we were talking about air quality. My friend, Senator Day, they spent \$10,440 to oppose her. And then Dr. Seuss, oh, I'm sorry, Senator La Grone, my mistake, they gave him \$54,914 to help him beat Senator Day. Is that OK? Yeah, absolutely OK. Anybody who wants to contribute to a candidate can and should. And I'm sure people are going to say, well, NSEA contributed to people too. Yes, but I'm going to refer to my campaign and I keep bringing it to this because I hate dirty politics. I challenge all of you to find

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anything that was as drastically horrific for my campaign as what was done to me, to Senator Bostar, to Senator Day, to Senator [SIC] Hester, who ran against Senator Sanders, who I think they spent over \$40,000 on. And by the way, there are a lot of Nebraskans that don't even make that much money. But we're worried about the kids and the scholarships, so we're going to get that by ruining people's lives, ruining people's reputations, and I was thrilled to see--

HILGERS: One minute.

BLOOD: --that somebody was actually suing on that basis down in Senator Slama's area. If we don't get our way, we're going to ruin your life for the kids, for the kids. Right? This isn't political. This is just for the kids. Thank you, Mr. Speaker.

HILGERS: Thank you, Senator Blood. Senator Briese, you're recognized.

BRIESE: Thank you, Mr. President. Some folks earlier suggested some constitutional concerns with what we're talking about here. And, you know, I submit that's entirely speculative. I-- I think an AG's, well, an AG's Opinion was handed out, dealt with grants from a water sustainability fund or something like that. But anyway, the Opinion and the cases, you know, mentioned therein really aren't on point, do not deal with tax credits to any-- any individual. They do suggest the real issue, though, under the constitutional provision in question is whether these dollars constitute an appropriation to a private school. And I think it's a stretch to conclude that implementation of tax credits to individual taxpayers constitute an appropriation to a private school. But that's neither here nor there. You know, folks, more importantly, we're the legislative branch and we need to embrace that. We are the legislative branch. I hate to say we can do what we want, but in many ways we can do that. And what we do in this body is presumed constitutional until adjudicated otherwise. And so I would suggest don't shy away from good policy just because over speculative concerns about the constitutionality of it. And much of the discussion today has focused on Opportunity Scholarships. But we also need to remember what else is at stake here, and that is the provisions of LB531 that will provide a tax credit for contributions to early childcare facilities. And roughly 91 percent of our counties do not have enough childcare. And I believe the tax credits for these contributions can play a crucial role in childcare access in Nebraska. And childcare access in Nebraska is one of the keys to growing our state and growing our rural communities in particular. In some areas, it can be the primary factor. The components of LB531 reflected in Sections 14 through 20 are extremely important to communities across

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Nebraska and extremely important to parents and families across Nebraska, and extremely important to businesses trying to grow their workforce. And again, I want to thank Senator Linehan for her relentless work on the issue of Opportunity Scholarships, and admire and appreciate her persistence. And this package found in LB364, AM762 of LB364 and LB531 really is a collaboration that can move our state forward. It's a collaboration about kids. It's about getting them off to a great start and ensuring they have educational opportunities available that best fit their needs. It's collaboration about young working parents, helping them ensure they have access to childcare, helping them ensure they have the ability to participate in the workforce. And again, this package is about kids and about young working parents. And we can make the responsible decision today to put these programs in place essentially as pilot programs. You know, remember, it's going to sunset in five years. This is a pilot program. We're going to see how it works. Or we can just say no and turn our backs on these families, children, and communities. We can make the responsible decision to give these programs a trial run, evaluate them, and see if we want to reimplement them in five years, determine if we want to go forward. So I-- I would ask for your support of AM762 when we get to it. And with that, I'd yield the balance of my time to Senator Wayne.

HILGERS: Senator Wayne, 1:35.

WAYNE: Thank you, Mr. President. Thank you, Senator. Briese. Again, colleagues, I-- I understand and I understand the frustration and the feelings that are going around on-- on what-- what we can do. But what I don't understand and what I can't figure out here in my head is we're talking about property. We're talking about tax credits. And if you believe that--

HILGERS: One minute.

WAYNE: --public funding shouldn't go to private schools, we have plenty of programs in which CHI run nursing programs for not just college students, but high school students. Senator Morfeld, let's get rid of those. We have plenty of scholarships in which they go to private schools. But when people stand up and say it's a fundamental belief, it's a fundamental thing, but it's my district getting left behind, then how is it not fundamental to me? That's the part I'm-- I understand what Senator McKinney. He's having the same struggle I have. We've got a lot of other issues we got to deal with, but I'm looking at what's on the board. And I'm sitting here and I'm saying, if you want to draw a bright line on education and making sure it

doesn't go to private or people or institutions, that's got to go all the way up. You can't stop just at, at K-12. It's got to go all the way through if it's fundamental.

HILGERS: That's time, Senator. Thank you, Senator Wayne and Senator Briese. Senator Matt Hansen, you're recognized.

M. HANSEN: Thank you, Mr. President. I'm going to continue on the unconstitutionality line because I do believe that this is unconstitutional. I was the one who handed out the AG's Opinion. And I am aware of the Blaine amendment. I am aware of the Espinoza case in Montana. Nebraska did have a Blaine amendment. We had an amendment in 1975 that did look fairly similar to the state of Montana's Blaine amendment. We do not currently have that amendment because we substantively rewrote it in the 1970s. The Blaine amendment talks about banning aid to sectarian institutions, and that is the language our 1875 constitution had and it looked like the Montana had in its Blaine amendment. I don't have handouts for all these things and I won't be able to make them. But you can kind of compare and contrast, but hung on the word sectarian institutions. Our current law doesn't say that. Our current constitution says: Notwithstanding any other provision in the Constitution, the appropriation of public funds shall not be made to any school or institution of learning not owned or exclusively controlled by the state or political subdivision thereof. Analysis I see of the Espinoza decision actually have said and indicated that it's not going to change Nebraska case law because Nebraska case law has already established that you cannot exclude and eliminate a-- a religious institution solely on religious grounds. That's actually the Creighton case I was citing earlier. You can't just exclude a religious institution from competing for something such as a scholarship or a grant or an aid. We've had the decision of the Espinoza case in Nebraska for 40 years now. That's-- that's the ruling our Supreme Court has had. What the Espinoza case did not settle and did not strike down, it did not change is Nebraska's, like I said, relatively unique prohibition on no public funds going to nongovernmental controlled schools. That has not been ruled unconstitutional by the Supreme Court, by our Supreme Court or the federal Supreme Court. What it was saying is that if we did establish a scholarship program, we would have to let students take it to private schools. And I agree with that. And I said that earlier in the remarks. We have the Access College Early Scholarship and that we fund heavily in the state. We call it the ACE Scholarship, and people use it for Wesleyan, people use it for other institutions, Creighton, other private and denominational institutions. And it would be unconstitutional for us to say, hey, you can't take it to a religious

school. It would be unconstitutional, it would be offensive, and I wouldn't support it. That's not what I'm talking about here. This is a flat prohibition on all private entities, denominational, nondenominational. It is not a violation of the First Amendment to say that certain government funds will only be used for government purposes. As long as you are viewpoint neutral and banning an entire category, regardless of the denomination, regardless of whether they're sectarian or nonsectarian, is fine. We just flat out will say we are not going to give money to private schools. We don't care if you're religious or not. The Nebraska Constitution will not support a secular private school or a nonsecular private school, sectarian private school. We have fundamentally different case law and we have fundamentally different statutes in the state of Nebraska. I'm not speculating. I'm not grasping at straws. I'm not trying to muddy the water. I'm trying to be as abundantly clear as possible. And I know I'm not necessarily trying to be the most persuasive I can be on this floor. I'm more laying the breadcrumbs for the inevitable successful legal challenge should this law ever get adopted. Our law is not the Blaine amendment anymore. We completely rewrote in the '70s and I've got a page-by-page comparison by it that Legislative Research gave everybody a few years ago and I still had down in my office. The whole constitution and we took a one sentence, one paragraph line and made it multiple paragraphs with caveats and things in others--

HILGERS: One minute.

M. HANSEN: --including took out our prohibition on sectarian aid. It's the aid to clause that's problematic. We already took that out of our constitution and we've already ruled, the Nebraska Supreme Court has ruled in the Creighton case I was citing earlier that you cannot discriminate against religious institutions. The Espinoza case agreed with the Creighton case, which was the case I was citing to begin with earlier. And the reason I passed out the Attorney General's Opinion was, yes, that was a constitutional program because it benefited every landowner, but specifically it defined appropriation as not just literally appropriating, but it means set apart, assign to a particular person or use in exclusion of others. This is a tax credit program that only applies to certain foundations that support private schools. That is the definition of-- of setting aside or assigning to a specific group. It doesn't matter if they're religious or not. It matters if they're owned and controlled by organizations other than the government. You want to have this program, you have to amend the constitution first. It's as simple as that.

HILGERS: It's time. Senator.

M. HANSEN: Thank you.

HILGERS: Thank you, Senator Hansen. Senator Moser, you're recognized.

MOSER: Thank you, Mr. Speaker. Just a few comments as I listen to the debate today. These tax credits don't do anything for the donor. The donor has a tax liability to the state anyway, and they either pay the tax they owe directly to the state or they can offset some by donating to a nonprofit. So they get the good feeling that they're maybe helping a nonprofit provide a scholarship for a student, but they get no benefit to them. The donations have to go to a nonprofit that offers scholarships to more than one school. So I couldn't donate money to a-- to a nonprofit and benefit by having my child get that scholarship. There's-- there's an arm's length transaction there. They have to go to-- the donation has to go to a nonprofit that offers scholarships to more than one school. The recipient has to be a free and reduced lunch student. So the family has to be low income. I don't understand the fine point, I would call it, that some senators are using to be against this bill, that they're against tax credits. We've got dozens of tax credits in all kinds of incentive programs and current statute. And, you know, we could go back and research and see who voted for those and see if it's the same people that are using that reason not to vote for this. I think we should give low-income students the opportunity to attend private schools. Maybe it's not a big number. Maybe it doesn't solve the whole problem. But for some students, it solves all their problem maybe. So it's not going to solve all the family problems. You might still be a poor family. You might still have both parents working. You know, we can't fix all the problems at once, but I think this is a step in the right direction. With that, I would yield the balance of my time to Senator Linehan, please.

HILGERS: Senator Linehan, 2:44.

LINEHAN: Thank you, Senator Moser. Senator Wayne, would you yield to a question?

HILGERS: Senator Wayne, will you yield?

WAYNE: Yes.

LINEHAN: Is your understanding of the bill, because I know you've-- we've discussed it a lot of times, the money, the scholarship goes to the parents and the child, correct?

WAYNE: Yes. They're the ones who benefit. Yes.

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LINEHAN: So-- and we have programs I think you've mentioned this earlier, but I'm clearly not communicating it well. We have scholarships that are actual state funds that we give to students that turn around and use them in both private and public schools. Right?

WAYNE: Correct.

LINEHAN: So that's actual state money.

WAYNE: Correct.

LINEHAN: This money, because it never becomes state money, because the courts have decided, I do believe, that if a state doesn't ever collect the money, it's not state money.

WAYNE: Correct.

LINEHAN: So do you see any-- you are an attorney, are you not, practicing attorney?

WAYNE: I am, yes.

LINEHAN: Do you see a constitutional problem with this legislation?

WAYNE: No, I do not. In fact, everything is constitutional until proved otherwise. So, no, I don't see any issues with this or we have a lot of other programs we've got to remove.

LINEHAN: Does this seem, I think what they call it is a red herring, am I correct? Is that what they call these kinds of things?

WAYNE: Yes.

LINEHAN: Yes. Have you seen any other red herrings thrown out today?

WAYNE: The idea of defunding education when we've already passed our budget for TEEOSA and-- and schools have not said they need the extra \$5 million. So I don't know how this defunds education either.

LINEHAN: Did we run, are we in the same class, Senator Wayne?

WAYNE: Yes, we are.

HILGERS: One minute.

LINEHAN: And have we worked, I'd say pretty hard over-- ever since we've been here to do more school funding for public schools?

WAYNE: Yes.

LINEHAN: And have we ran into roadblocks that seemed kind of silly, like the ones we're running in today?

WAYNE: Absolutely.

LINEHAN: So you have-- you have a lot of kids in your district. Can you tell me about some more of them that actually benefit from programs like this?

WAYNE: Yes. So we actually have kids who not only go to St. Philip Neri in my-- in my district, they also go to St. Leo, St. Pius, St. Cecilia. There are a lot of kids who are looking for options. And again, it may not always work out. It may not always work out. But giving that kid and that parent the option to try something that suits their needs. So how much time we have left?

HILGERS: Four seconds.

WAYNE: OK, I'll tell you a story about a kid that-- that you might all want to hear in the next time.

HILGERS: That's time, Senator. Thank you, Senator Wayne, Senator Linehan, and Senator Moser. Senator Lowe, you're recognized.

LOWE: Thank you, Mr. Speaker. And once again, I'm a public school graduate and Kearney State graduate. I live and breathe Nebraska schools. This bill does nothing, nothing against our teachers, which are all great. It does nothing against our public schools, which are very good. It does nothing to any of these things. What it does is it gives youth a chance. Now, Senator Hansen brought up our constitution and-- and Article VII, 11: Notwithstanding any other provisions in the Constitution, appropriation of public funds shall not be made to any school or institution of learning not owned exclusively controlled by the state or political subdivision thereof. This money does not go to the school. It goes to the child. I can't tell somebody if I pay them \$10 for an hour's worth of wages, I can't tell them, do not take this to Walmart. I cannot take them, tell them not to take it to Claussen Shoes and spend it. What they decide to do with that money for their education is their decision. It does not go to the school. What they're trying to do is trying to scare you into voting against this bill. With that, I'd like to yield the rest of my time to Senator Wayne.

HILGERS: Senator Wayne, 3:04.

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WAYNE: Thank you. I'm going to tell you a story about a kid who just turned seven and we'll call him A. This is the first letter in the alphabet. A actually started at one public school, moved to another public school. And at that second public school, he was in kindergarten where he got red days all the time. Red days mean you had a bad day. He was a hyperactive kid and found himself with red day sitting outside the hallway, started falling behind on learning phonics and reading and basic math. And bless the COVID. Oh, and by the way, during COVID, during that time, his teacher absolutely never reached out to him or his mother, despite numerous emails. Bless COVID in the fact that she wanted him to go to school. So they actually raised some dollars and worked out with the school a long payment plan, which actually she's struggling because she's in school. And that kid was individualized when it came to learning. They created a stand desk for him with a rubber band underneath so he could kick it to keep him from being disruptive because he was a hyper kid. They actually did some data on him for over six weeks, just trying to figure out what actually helps, had four or five meetings with his mother. And by the way, his dad is in-- in prison. He's been in prison for-- he's seven now, so probably six years of his life. And they found out by putting timing mechanisms in his desk when they assigned him a task, if you turn up the time and say you only have 30 seconds to do it,--

HILGERS: One minute.

WAYNE: ---he actually gets things done. He actually is back on grade level, actually ahead of grade level in both reading and math. That person may or may not be able to attend the school because she is a full-time student and she is trying to raise dollars to get it done. But it would be much easier if there were more dollars in scholarships available for that parent. So it's easy when everybody leaves here and goes back to their neighborhoods, to their schools, many of them to their own private schools or some public schools that are treated like private schools that are closed shop. But when I get to go back home, when his mother gets to go back home, they're stuck in the same school. They're stuck in the same school because they can't afford it. It is an issue of poverty. And we can talk about living wages and all that. I get that. But if we lose this bill, that is an opportunity for them--

HILGERS: That's time, Senator.

WAYNE: --that they might not have next year. Thank you, Mr. President.

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HILGERS: Thank you, Senator Wayne and Senator Lowe. Senator Hunt, you're recognized.

HUNT: Thank you, Mr. Speaker. Hello, colleagues. I introduced my amendment because I'd like a vote on it. And I have not been engaged in this debate since I introduced the amendment around 9:30 this morning. But I heard some points that deserve a response on the record. I'm also one who is not going to be willing to compromise on LB364 because there are just philosophical reasons that I oppose it and am opposed to the concept and I can tell you why. But first, I want to address some arguments that proponents of the bill have made. Senator Ben Hansen made a free market argument by saying that this creates competition for rich people, as he put it, that it creates competition in the market. And so this is a great free market bill. I would say it's obviously the opposite. It's something more like government manufacturing incentives for donors, which is manipulating the free market, not letting it work. If a wealthy donor will not support a private school scholarship fund without this tax credit, then it's not the government's problem or business or job to create a mechanism to incentivize that donor to do so. A tax credit does not ever reflect the free market at work. It reflects the government interfering with prices in the market and using taxpayer dollars to make it relatively cheaper to attend private schools and make private schools a more appealing option compared to public schools. So that is not a free market thing that's happening here. It doesn't mean you can't oppose it. It just means that that argument doesn't really make sense. Senator Lowe drew a comparison between private school scholarships and food stamps, and he just made that comparison again, suggesting an analogy like if you use food stamps at Walmart, it's not taking money away from Russ's supermarket or something like that. But that's not right either. The right analogy is to say that-- that this is the government saying that if a donor gives money to Walmart, then they get to pay less taxes. That's what this is and that this will benefit Walmart shoppers because then Walmart will lower prices. How in the world does that sound right? He's saying the best way to help poor people is to give people money to donate to Walmart, that will then lower prices for shoppers who might be poor. That makes no sense. First of all, if these conservative opponents or proponents, I guess, of LB364 don't believe in public schools, government schools, as has been said on the floor today, then they should not be serving in the Legislature in a public position. Second, if people think private schools are better, then people should be willing to attend them without additional tax incentives. If they think poor kids need scholarships to attend private schools, then that's something private

philanthropy can provide without government intervention, and that's something private philanthropy does provide. Most kids in poverty attend public schools. So let's take the \$5 million that this carves out and give it to public schools, not to rich donors who will then contribute to private schools, who then, we think, we hope maybe will provide additional funds to poor kids. If this is for the child, if this-- if this is to give to the child, then let's just give \$5 million to children. You know how some of you sound? If we can help one billionaire, then we will have some-- done something good. If one billionaire can sleep well at night knowing that they got an additional tax break, then I know we will have done something good. That's how you sound, because we can help poor people. We can help children. We can help people who struggle to get the right kind of education for their kids without tying it to an incentive for the wealthy, for corporations. I cannot stand the argument that we need to give money to rich people to help poor people help themselves.

HILGERS: One minute.

HUNT: This is trickle down school funding. Just fund the schools. How much could we improve our schools for \$5 million? How many teachers could we hire for that? That should be the plan. Not a giveaway of \$5 million to religious schools which discriminate, which is what this amendment is about. Senator Linehan also commented about the situation in Florida. Florida ranks below Nebraska by just about every single measure of educational achievement. Why would we seek to mirror states that perform worse than we do? I'll also point out that she talked about us being at a starting line where Florida is way down the road. So there's a road and it's made of money going to private schools. This is certainly intended to be a foot in the door. For that reason, I oppose the bill and I encourage your green vote on LB364. Thank you, Mr. Speaker.

HILGERS: Thank you, Senator Hunt. Senator Pahls, you're recognized.

PAHLS: Thank you, Mr. President. You know, it's so refreshing at times when Senator McKinney gets up and talks. I see honesty, I see truth, and he's probably a little naive to what goes on, but he's going to learn pretty fast. Notice where the schools who are in high need are usually in a poverty area. I have to be honest with you. In the Millard school system, we do have some Title I schools so it's not all rosy. There are some issues. But most of the schools where the children are having a hard time is because they are in poverty, free and reduced lunch. Those individuals need good jobs, good businesses there. So Senator McKinney, you ought to see who votes for this bill.

And then when you try to get your living wage or some bill like that out of committee, take a look at the individuals. I-- it just frustrates me these-- and I'm in that game also at times. But how on this issue, oh, this is great. But on this issue, this is not so great. You have good jobs. I could assure you that it will take a few years, but those scores will go up because the families will have success. They won't have to worry about rent. They won't have to worry about putting food on the table. It's larger than just the schools. It's the attitude of those of us who are sitting here who are saying, oh, we can save this certain group of children by sending them to private schools. But when it comes to increasing the wages, no, no, no, no. That would affect many more people, more than just the students. Just take a look at the votes on that so you'll see where-- where everybody stands. I want to get back on my high horse here a little bit. There are currently 32 foundations for the public schools. They raised \$64 million last year. They did that on tax deductions, not tax credit. If it's good for the Catholic institutions or the other private institutions, then it ought to be good to apply that same thing to the public institutions. Why not? That's-- that's where the confusion is. Also, we know that we have schools who need help. We know that. It's been proven. We look at their test scores, etcetera, etcetera. We know there are over 100 of those. So we have that data there. It's already here. And we have a program by the State Department of Education, which I've talked about before. These schools, they are analyzed and then they are put to task. Intervention teams goes-- have to go in there-- not very many right now because of the money-- they go in and they analyze. I'm telling you, if you've ever had an opportunity to see the results of some of these schools as an administrator, whoa. I mean, man, they get you on everything. But you're supposed to improve them. It's amazing. And I looked at a couple of them I can see automatically just by reading the paper where probably some of the issues are just because of my past experience. Accountability, they-- they are, and it's a three-year plan, so it's not forever. But we need to--

HILGERS: One minute.

PAHLS: --do more of these schools, more of these schools need to be involved. And I'm talking-- I have not talked to the State Board. I do not know their system other than they have one there. I did read the doctoral thesis or Capstone, as they call it, who sort of digested the, our, the program the state has. And I see that she actually works for the state. She's in charge of school improvement teams. So we have the knowledge here in the state. We have the foundations can collect the money, we have the students in need proven, and we have the

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evaluation, solid test scores, surveys, parent involvement, leadership of the-- of the administration. Well, I don't-- I'm assuming-- I'm assuming the money that we're going to give to the private schools, they're going to have the same type of data that they can give--

HILGERS: That's time, Senator.

PAHLS: --to us. Thank you.

HILGERS: Thank you, Senator Pahls. Senator John Cavanaugh, you're recognized.

J. CAVANAUGH: Thank you, Mr. Speaker. So, sorry, getting a little way from the mike there, got a couple of issues, again, like everybody talking with hours in between. So a lot of time has passed. But I think Senator Pahls kind of touched back on this and Senator McKinney touched back on the thing I rose originally to talk about is that we have disparate outcomes when you have people who are evicted-- and I cited that study and I can get people a copy of that study about how the schools that have a higher incidence of evictions have lower performance on test scores. So that, the reason for that or the correlation that the eviction to the lower test scores is the instability in housing, the crisis, homelessness situation. So I asked for some data I got from OPS spends \$933,000 a year on support services, costs associated for the McKinney-Vento program for homeless families. Essentially, it's their obligation to meet services they need to provide to children and their families when they are homeless and in the schools. And so I've heard a couple of times today we're talking about OPS has more money now than they-- they know what to do with. That's a one-time money, obviously, because we have COVID money coming in and-- and it's not going to be structural change in the type of structural change we're talking about. But they spend, in this particular program, they spend \$65,000 a year on a homelessness education liaison. They spend \$739,000 a year on transportation. They spend \$33,000 with District 66 on transportation. They spend \$48,000 a year on tuition tutoring program for the Open Door Mission, which essentially is kids who are homeless, living in the Open Door Mission or Lydia House, and they are providing tutoring to help them. And so there are other places more-- more expansion to these types of programs that will help outcomes in our public school systems. And that, I think, is a place we should be looking and we should be making those sorts of structural changes. And I do think that that would be-- we could have a pretty fast rate of return by helping with those particular issues. I just wanted to point out I'm a little surprised nobody has talked about previous conversations we've had where some

people here said if you care about a program, open up your own checkbook and write a check for it. And this isn't something government should do. And we're talking about these tax credits. And I haven't really engaged on the specifics of the tax credit portion, but I was just looking here. If you were to donate, say, \$10,000 to a charity currently, you would still be qualified for the standard tax deduction on your marginal tax rate, which if it's at 6.84 percent, would be about \$684. Whereas if you donated under this structure, it would be 14.5 times higher than that. So there currently is a tax benefit for participating in these programs. There are people who are participating in them. Senator Flood has talked about and he was involved in a program where they give out about \$3 million a year in scholarships, which is a fantastic program. Those folks derive the current tax benefit from that program and will continue regardless of what we do here. And maybe they, well, certainly they would get more money under this system, I-- I bet. I guess I can't say that for certain, but I think they would. But the-- the difference in the tax benefit that they would derive is substantial. So there already is a tax benefit associated with this program. We're incentivizing this. But the thing about this particular bill is that it incentivizes one particular type of tax credit or one type of giving over all others. And there are other types of giving--

HILGERS: One minute.

J. CAVANAUGH: --that would address and help with some of these other problems that actually improve outcomes and actually help a lot of people. So I don't have the data here on the number of people that this applies to in OPS, this McKinney-Vento data. But that other study I referenced did have a number of evictions in by school and broken down by geography in OPS, and they had an average of those schools of 903 out of the top 10 schools. So across the school district of that size, you can imagine there's quite a substantial number of people who become emergency homeless during the school year, which affects their outcomes. And that is a lot of children. Those are the households of 903 children per school on the top of the list. So those are children, too. Those are individuals, 1,414 is the top. One school has 1,414 families that become homeless during the school year. And that is something that we could address. Those are individuals whose stories we could tell.

HILGERS: That's time, Senator.

J. CAVANAUGH: Thank you.

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HILGERS: Thank you, Senator Cavanaugh. Senator Flood, you're recognized.

FLOOD: Question.

HILGERS: Question has been called. Do I see five hands? I do. The question is, shall debate cease? All those in favor vote aye; all those opposed vote nay. Senator Flood, you're recognized.

FLOOD: Mr. President, could I have a call of the house and then a roll call vote?

HILGERS: There's been a request to place the house under call. The question is, shall the house go under call? All those in favor vote aye; all those opposed vote nay. Please record, Mr. Clerk.

CLERK: 23 ayes, 2 nays to place the house under call.

HILGERS: The house is under call. All unexcused senators please return to the floor. All unauthorized personnel please leave the Chamber. The house is under call. Senator Pansing Brooks, Senator Bostar, Senator Slama, Senator Aguilar, please return to the-- to the floor. The house is under call. All unexcused senators are now present. The question is, shall debate cease? A roll call vote has been requested. Mr. Clerk.

CLERK: Senator Aguilar voting yes. Senator Albrecht voting yes. Senator Arch voting yes. Senator Blood voting no. Senator Bostar voting no. Senator Bostelman voting yes. Senator Brandt voting no. Senator Brewer voting yes. Senator Briese voting yes. Senator John Cavanaugh voting no. Senator Machaela Cavanaugh voting no. Senator Clements voting yes. Senator Day voting no. Senator DeBoer voting yes. Senator Dorn voting yes. Senator Erdman voting yes. Senator Flood voting yes. Senator Friesen not voting. Senator Geist voting yes. Senator Gragert voting yes. Senator Groene voting yes. Senator Halloran voting yes. Senator Ben Hansen voting yes. Senator Matt Hansen voting no. Senator Hilgers voting yes. Senator Hilkemann voting no. Senator Hughes voting yes. Senator Hunt voting no. Senator Kolterman voting yes. Senator Lathrop voting yes. Senator Lindstrom voting yes. Senator Linehan voting yes. Senator Lowe. Senator McCollister voting yes. Senator McDonnell voting yes. Senator McKinney not voting. Senator Morfeld. Senator Moser voting yes. Senator Murman voting yes. Senator Pahls voting no. Senator Pansing Brooks voting yes. Senator Sanders voting yes. Senator Slama voting yes. Senator Stinner voting yes. Senator Vargas voting yes. Senator Walz not

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voting. Senator Wayne voting yes. Senator Williams voting yes. Senator Wishart not voting. 33 ayes, 10 nays to cease debate, Mr. President.

HILGERS: Debate does cease. We're still under call. Senator Machaela Cavanaugh, you're recognized to close on your motion.

M. CAVANAUGH: Thank you, Mr. Speaker. So we are ceasing debate on Motion 54 to bracket this until May 4, 2021. I assume the queue that is in right now will maintain for the next round, correct? Yes. OK. I encourage everyone to vote for this. As I have said repeatedly, that I thought if-- if Senator Linehan wanted to work out a deal that we could bracket this until next week, we could ask the Speaker to schedule it for next week and she could work out her deal between now and next week. I don't agree with moving things to Select because there's a lack of trust in this body. And I'm going to be pretty clear that, like, I don't trust this body. You give me no reason to trust you, body. So if you want to make deals, make them. But don't ask me to give you a vote of trust. Do not ask me to do that. That is a very disingenuous request to make of Senator Machaela Cavanaugh. So some things I would like to say because I am in the queue to speak for my last time on this motion, but I'll just do it now. OK, Senator Linehan spoke about the scholarships going directly to families. That raised a red flag for me, because if you're making a scholarship and it's going directly to the family, then what are the safeguards to ensure that the family is using that to pay for their tuition, if that's the intent here? I don't care if they pay-- use it to pay for groceries or their heating bill or their rent. But if that's the intention, then I hope there's safeguards in there, because I would think that the scholarships would go directly to the schools in which they're enrolled. But maybe that can't happen because of a constitutionality question, which brings me to a constitutionality question. I think Senator Wayne said everything is constitutional until it's not. We had a very, very robust conversation about LR29 subpoena power and the constitutionality and the concerns and the woes about whether or not it was constitutional for us to exercise our power as a body. So it's not a red herring unless that was a red herring. Was that a disingenuous conversation? Was that a disingenuous motion on my LR? I mean, it probably was, but if this is disingenuous conversation about constitutionality when we have an AG's Opinion about it, then I'm going to go ahead and say that that was also a disingenuous conversation. Every single person in this body who has a campaign fund and supports this bill can walk out of this Chamber and make a donation to the Children's Scholarship Fund with your campaign dollars. You all can. You probably can get close to raising \$5 million for them today. And anyone watching at home that would like to make a

donation to them can do that as well. It's the Children's Scholarship Fund. The amount of money that was spent in 2020 by the Nebraska Federation of Children, the PAC for this entity, was \$327,000. That's double the salary of the executive director for that fund. I would recommend hiring a development director to raise \$5 million. I used to raise money for nonprofits. It's like a whole industry of people.

HILGERS: One minute.

M. CAVANAUGH: That's like a job that people have is raising money for nonprofits. This is not about poor children. This is about a tax credit, dollar for dollar for the wealthy. And it is riddled with problems beyond my own philosophical objections to tax credits. It's a first come, first serve. So if we raise \$10 million, half of the people that donated or half of those donations, they're not going to get that tax credit. You donate in January and somebody donates in December and they file their income taxes first, they get the money first. My bracket motions are genuine. I have been a honest broker this entire day. If you want to make a deal, make a deal. I'm not here for that, but other people are. Thank you.

HILGERS: Thank you, Senator Cavanaugh. Question before the body is the adoption of the motion to bracket. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Please record, Mr. Clerk.

CLERK: 7 ayes, 34 nays on the motion to bracket.

HILGERS: The motion is not adopted. I raise the call. Returning to debate on the motion to recommit to committee. Senator Geist, you're recognized.

GEIST: Yes, thank you, Mr. President. And again, I stand in opposition to the recommit to committee and stand for LB364. And with that, I would yield the rest of my time to Senator Justin Wayne.

HILGERS: Senator Wayne, 4:44.

WAYNE: Thank you, Mr. President. And thank you, Senator Geist. I've heard a lot of talk, this bill is about the rich. That the rich benefit. Newsflash, everything we do down here almost benefits those same individuals; but this is the first time that a kid actually benefits. This is the first time that it's directly tied to a kid benefiting. And here's the other question I-- I-- I heard about, well, we should just put this money towards education. We already passed TEEOSA in our budget. That ship has sailed. And from my understanding,

the neediest school district, Omaha Public Schools, based off their needs formula, based off of what we give them, says they don't want any more money. Said they have enough money. I said this earlier and I want to repeat it because it's just-- it's just the profound thing that the only people who are opposing school choice today are the same people who have choice, and many of them exercise that choice. This has been a very growing pain for me as I was against this bill my freshman year and the last three, four years struggled where I was going to be on it. But my community can't wait anymore. So here's my offer to all of the people here who have kids. Here's my offer. I will vote to kill this bill if you send your kids to one of the kids-- schools in my district that were waiting to turn around. If you do that, Senator Day, Senator Cavanaugh, John Cavanaugh-- I know Machaela will-- everybody get on the mike and let's make that promise. Let's transfer the kids. So as we spend six, seven years in elementary school changing a school, your kid be a part of that change. And when they fall behind, when they don't have the resources, that's allegedly, when they're dealing with suspensions and things like that, then we can all go through it together. That's what I mean by let's have a real honest conversation. Don't make a choice that you won't allow anybody else to make just based off of income, because that's what we're talking about. There are some schools and I got some great schools. I'll even let you pick those. I got some really good schools in my district. So you can even send your kids there as we change the bad, the failing schools, but we won't. And here's the crazy part. It's-- it's not necessarily an economic thing. Look at the valuations east of 72nd where some of these folks live. You probably don't have a house that you can sell for under \$200,000. So it isn't property valuations in an affluent neighborhood. We still have schools struggling and more importantly, we still have people in this body who are opting their kids out. If I could move into parts of Millard for less than \$200,000, there's some people in my family who would [INAUDIBLE] that. But the going rates to Senator Hansen's point--

HILGERS: One minute.

WAYNE: --in some of these SIDs are extremely high. My point is, is that if it's good for you, if it's the best decision for your kid, then when do we become the body that says we won't give it to you because you're in poverty? Because I always hear the opposite of that and I'm talking to my side of the aisle. I know on the other side we've been fighting that on everything. I agree with Senator Hunt on tips and everything else. I'm not saying that's not true. But my side of the aisle is the one saying no because of poverty and then turn around and say, let's find a better solution, but nobody will send

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their kids to my district to go to school. That's lip service. We have kids drowning, looking for a life jacket, and you won't give them yours--

HILGERS: That's time, Senator.

WAYNE: --because you're afraid that one day \$5 million may cost money. Thank you, Mr. President.

HILGERS: Thank you, Senator Wayne and Senator Geist. Senator Vargas, you're recognized.

VARGAS: Thank you very much. I want to-- probably be the last time I talk on this, given the time that we have, kind of waited for a little bit to get into this conversation. But last time I was at the mike, I was talking about what I'm willing to work between General and Select, and I don't know if we'll get there, on making the bill better. I don't think the bill in its current form has enough of the, in my mind, things that would provide some level of protections or making it improved. And I think that's why Senator Linehan has been trying to work on those amendments and at least offering them. And I think that is-- that-- those are valid. They actually make it better. Because, you know, once upon a time, that was part of my job. My job was working with school districts, working with state departments of ed on trying to not specifically work on these types of programs, but working on ways to reform our school system, because-- and I had this, a lot of great conversations off the mike that we have to really be committed to trying to improve and support our school system. We may disagree on how we get there, but ultimately there's more that we need to do. Our proficiency scores in some of our highest need communities for our high school graduates is absolutely nowhere near where it needs to be. And if you actually looked at some of the scores, you would be surprised that we have people that are graduating with proficiency levels, probably part of one of the reasons why we make independent choices for some of our-- our own family on where they go, because we may have the option and choice to go somewhere else that has a potential, better opportunity in some ways. I believe we can improve our public school system, and I'm committed to doing that. So I say that on the mike because I think this sometimes gets construed as, again, being against our public school system. And that is 100 percent not what this is about. I actually have brought a couple of bills in the past that have tried to provide some equity to the system, not in K-12, but in our postsecondary institutions. So-- and I have said this before on the mike in the past-- past years when we have this debate. Our Opportunity Grants funding program is funding

that we provide to postsecondary institutions. We provide lottery funds to it, but we also provide some General Funds to it. And both those funds go to private institutions, some religious institutions of higher education. We have done it in some capacity. In its current form, I'm not there yet on this. But in the forum where we can work on it, I think it's worthwhile to have the conversation between General and Select. I don't think everybody will be there based on how the conversation is going. And I will try extremely hard to continue to bring bills that are going to help improve our education system, invest in teachers, invest in mental health resources, invest in food insecurity that we're seeing across, and invest in better housing opportunities, invest in any type of wellness that addresses the poverty issues that we're facing in our communities and the health and wellness I have and will continue to bring those bills. But I think at least what Senator Wayne is trying to bring up is that we don't tend to wait on whether or not there's other options, other policy solutions, which then means that this is largely driven by other reasons which we don't always talk about on the mike, sometimes political reasons. But it goes both ways. I am committed that there are other people have gotten on the mike that are proponents of this--

WILLIAMS: One minute.

VARGAS: --that have still not been in support of some of these other bills, like increasing the tip minimum wage, increasing paid sick leave. I mean, we've had conversations with-- with-- with the colleagues in here about making sure we have social workers, expanding mental health supports. These are things that we haven't been able to get through. They help families and kids too. I really hope that we-- we don't only see a tax credit is the only solution. But I don't want to be shortsighted and view it only from that lens. But I really hope when we get to those conversations here in the waning days that we-- we try to stop a bill or don't see the merits of it and don't try to move forward. I think we have an opportunity to be better than that. So we'll see how this all goes. Again, this is not a one-size-fits-all solution. I think Senator McKinney has said that on the mike. If it was, maybe it'd be different for some people, but we don't have a lot of one-size-fits-all solutions in education [INAUDIBLE].

WILLIAMS: Time, Senator.

VARGAS: Thank you.

WILLIAMS: Thank you, Senator Vargas. Senator Erdman, you're recognized.

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ERDMAN: Thank you, Mr. President. I appreciate that. I haven't spoken on this yet today. And it's been a few hours as I've listened to the conversation. I wanted to on the mike say that I really appreciated Senator Aguilar's comments this morning. I thought he made a lot of sense. I think if we listen to what Senator Aguilar said, we may have a different opinion if we're opposed to this bill. The other senator, I think that is speaking with a volume of wisdom today has been Senator Wayne. He is articulate in what he says. He understands the issue. And I believe he has brought it to our attention, what needs to be done. And so I've enjoyed what he had to say, and I think he has more to say so I will yield him the rest of my time.

WILLIAMS: Senator Wayne, you're yielded 4:10.

WAYNE: OK, thank-- thank you, Mr. President. Colleagues, I-- I keep going back and forth on this isn't my bill, this isn't my priority bill, and then how did I get so drawn into this today? And I got so drawn into it today because of the conversation. As I was driving back to-- to Omaha and I'm listening to the conversation, I feel like the kids are being left out of the entire conversation. And then when I keep thinking about how that goes directly to the-- and who would be impacted and how it would work, I keep thinking poor kids are being left out of the conversation. So I'm making a commitment for the rest of this session, I'm going to spend time on education. I'm going to draft an amendment to the lottery funds to say that all the lottery funds for the first two to three years should go to the lowest performing schools, we'll do 20 schools. And we'll say we're going to change those schools because Senator Pahls talked about it and I agree with him. I listened. So let's do something now. If we're going to make change that we're going to set up a fund to fund lottery, the lottery dollars to whatever program the locals decide because we believe in local control, and we're going to give them money to turn around their schools for the first two to three years of our lottery dollars. Nobody should be against that. If that's what we're going to do, let's go all the way. We're going to-- we're going to add an amendment to 29 or the regular education that says we're going to-- we're going to get rid of option enrollment and terminate TEEOSA by the end of this next biennium to force us to have a conversation. Next, we have a financial literacy bill that I-- I look forward to talking about and we'll-- we'll-- we'll push that through. But now, because of the conversation and because it's just fundamental to many not to provide scholarships, because we're worried about rich people, and I get that. I'm fine with that. Then that's what we need to do from here on out on all these bills, including my own. That's how serious I am. I got a bill on Final Reading, LB544, that is a tax

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credit. And there's nothing in that bill stopping some rich person from coming to north Omaha, has a small business, although we have a net worth part in there and developing it all and taking my-- my tax credit for the community that I want to build. That's what happens when we go down slippery slopes. Then everything we try to do. There is nothing in Senator Bostar's bill that says that there isn't a corporation who will come in and we will buy all these high-priced or low-priced filters. There's nothing stopping a rich person from getting rich there if we walk down a slippery slope argument.

WILLIAMS: One minute.

WAYNE: And there's nothing in his bill saying it can't go to private schools. So let's not-- let's not do that. We got to add an amendment to that because of the conversation. I saw Senator Cavanaugh get up and talk for weeks or at least days, about how the body acts and how the body needs to change. Obviously, many you know, I-- I was not necessarily 100 percent agreeing with her, but now I do today. So when it's education related, when it's tax credit related from here on out, we are going to have an in-depth conversation and we will have conversations on the mike and we're going to ask tough questions. Every slippery slope argument, we got to vote it down. And there's-- and there's some things that I like coming up, creative art districts getting turnback tax money. That's typically, according to Omaha, very, very secluded group of people who discriminate against black people. So now I got to look at that bill differently.

WILLIAMS: Time, Senator. Thank you, Senator Wayne and Senator Erdman. Senator Linehan, you're recognized.

LINEHAN: Thank you, Mr. President. I'm just going to go back because I-- I can tell by the conversation that everybody didn't hear my previous cummoc-- comments on what I-- I'm listening. I understand that you think 100 percent tax credit is too much. So I can go to 75 percent where Senator Briese is. There will-- and still the cap being 50 percent of what you owe, be \$5,000 for individuals, \$10,000 for business. I would sunset it after five years. I am willing to negotiate with Senator Hunt on her amendment. I think there might be a way forward there. And I've heard Senator Pahls say that he wants a tax credit for public school foundations. And I am more than willing to have that conversation with Senator Pahls. He was here. I haven't-- he's not checked out, so he's coming back and hopefully he's listening maybe somewhere. So I've also said that when we get to the end here, Chairman Stinner will have his pencil out and he'll come around to all the chairs and all of us individually and say, here's the deal, guys.

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We don't have this much money. We've only got this much money. And for you to get it passed on Final, we're going to have to do whatever we have to do because that's the only thing we can all get something here. I've also heard about, you know, well, I have bills that didn't get done that we got several weeks here. And if I remember every time I've been here at the end, a lot happens. That's the way legislatures work. They're like-- they-- we always cram at the end. It's just I was in D.C. for years and we-- we would always be getting out on December 10 and we would never get out until Christmas Eve. We just cram at the end. So if we could all stay friendly here and be reasonable, then I think there's a lot of people who've mentioned things today that they want that we might be able to work some things out. So how much time do I have, sir?

WILLIAMS: Two and a half minutes.

LINEHAN: I will yield my time to Senator Wayne.

WILLIAMS: Senator Wayne, you're yielded 2:30.

WAYNE: Thank you, Mr. President. Thank you, Senator Linehan. And again, this isn't about killing future bills or nothing like that. It's about something for our community. And educationally, the bills that I've seen come out of committee and the bills that I see moving forward are broad education bills that I think do good. I'm not-- I think I voted for both of them so far, at least the Education Committee bills. But they don't actually do anything to close the achievement gap or we have a-- a very basic student. My bill, which is very basic on student data, but they're not really pushing the envelope. And part of it was I just assumed that we would have a better conversation with all the tax credits that I see flying across the floor and the money leaving really quickly that I thought, well, this will probably move. And then today I changed my mind. That-- that as long as we're doing broad education things, we won't go to the heart of it, 20, 20 lowest performing schools. So we'll make that a-- a point. I heard a lot of good conversation today about things we should do, and there's no time like the present. So that's what I'm focused on. So I'm going to end my--I'm not-- I'm-- I'm going to take myself out of the queue. I'm going to let votes happen. There's no need to belay-- beleaer-- delay, whatever I was trying to say, the point. But I do want to remind you of two quotes that have always stuck with me my entire life.

WILLIAMS: One minute.

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WAYNE: Again, the first one was Frederick Douglass, later made famous by Malcolm X: Education is the passport to the future, for tomorrow belongs to the people who prepare for it today. The second one is Martin Luther King's, which has always been "A right delayed is a right denied." We have a chance today to send a message that we are going to provide scholarships and opportunities for kids for their educational right. So I hope you vote red on the recommit and green on Senator Hunt's amendment and green on the underlying bill. Thank you, Mr. President.

WILLIAMS: Thank you, Senator Wayne and Senator Linehan. Senator Hilkemann, you're recognized.

HILKEMANN: Thank you, Mr. President. One of the things I just wanted to talk about is that there's nothing that we're doing today that keeps people from continuing to contribute to these wonderful programs. They-- the-- I understand that the amount of donations that they've received to this CUES program is significant. The philanthropic community has reached out and is doing a good job. Nothing that we do today will affect the fact that philanthropists can continue to keep giving to this program. Sometimes I actually wonder if maybe this may not hurt our philanthropic efforts in this area. Sometimes when you start switching the source of funds to, say, the state, people will say, well, now we don't have to give quite as much. We're getting more money from the state. So there-- I-- I want to reiterate that these programs that I saw are excellent, excellent programs and we should continue those programs. And when I look back to-- to-- on-- on this, the state of Louisiana was and-- and Senator Linehan has made claim that if-- if this bill is continued, that we will not do the 100 percent as it is in now. The one state that does have it 100 percent is Louisiana, which is probably toward the bottom of the-- of the-- of the pack as far as education is concerned. I just-- this is-- the worthiness of these programs is certainly there, and I wanted to-- is Senator Flood here? I wanted to ask him questions earlier and he wasn't available at that time. Is Senator Flood here for question?

WILLIAMS: Senator Flood, would you yield?

FLOOD: Yes.

HILKEMANN: Senator, you know, I-- I-- I saw the program that we have going on in Omaha. How does a program like this affect people in Norfolk, Nebraska?

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FLOOD: Well, actually, it has been contributing to rural eastern Nebraska since its inception. I want to say that last year the Children's Scholarship Fund of Omaha probably made 10 or 15 scholarships available just at Norfolk Catholic, it's Lutheran High Northeast; St. Ludger's in Creighton; St. Leonard's in Madison; West Point. One of the things that I really appreciate about the organization is that they do set aside a good amount of their budget to be spreading around at schools outside of Omaha. And, you know, rural poverty looks different than it does maybe in more urban areas. And the Children's Scholarship Fund of Omaha isn't really of Omaha. It's of most of eastern Nebraska, extending all the way up to O'Neill. So I want to say that since 2000, the program's committed over \$550,000 just to schools in my legislative district.

HILKEMANN: What is it, you know, you and I have chatted. What about-- what about a community such as my hometown of Randolph? Would there be-- would there be an opportunity for these to-- for the-- for-- we have-- we certainly have kids up there who are free and reduced lunch would qualify. Does it help those people in small, real small communities?

FLOOD: Well, I'm trying to think. It's only K-8 and I don't know. Do you have a parochial elementary school in Randolph?

WILLIAMS: One minute.

HILKEMANN: They do not, not anymore.

FLOOD: They don't, yeah. I know they-- they have one in Osmond, I believe, which would be close to you and Randolph. There's-- there's Zion Lutheran Elementary in Pierce, which I know there's kids from Randolph that go to Zion. So, yeah, there would be a lot of different-- Hartington Cedar Catholic, you know, there's that. So yeah, there's a-- a number of different schools-- trying to remember if Wayne has one. St. Mary's I think is in Wayne.

HILKEMANN: So virtually all of these funds that have been given by this scholarship fund go to students as long as that they are all going to a Catholic school, is that for the most part--

FLOOD: Well, not Catholic, it can be Lutheran, it can be Christian. And I even believe in Omaha there's a thing called the Phoenix Academy, which I don't know enough about. But I-- I sense that that's not a-- a religiously affiliated school, but it's still a private K-12 institution.

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HILKEMANN: OK, thank you, Senator Flood. And with that, I'll give back my time to the Chair. Thank you.

WILLIAMS: Thank you, Senator Hilkemann and Senator Flood. Senator Machaela Cavanaugh, you're recognized.

M. CAVANAUGH: Thank you, Mr. President. This is the last time I am speaking this evening, so I think we have a cloture vote potentially at 6:49, which is in an hour and three minutes. I committed to not pulling my motions. So I am not pulling that motion. Though if people want to get to a vote on any of the underlying amendments, I would recommend getting out of the queue and going to vote on my motion and then we can go to the amendments. The only thing I will say, and it is in support of Senator Hunt's amendment and one of the reasons, in addition to really disliking tax credits, which I really dislike tax credits, is that private schools can discriminate. Private schools, Skutt High School in Omaha fired a teacher for being gay, and he was, I think, teacher of the year. And then he went to the public school. Catholic schools don't cover birth control for their employees under their health insurance. Tax dollars should not go or tax incentives or however you want to put this conversation, this conversation wouldn't be happening in this body if it didn't involve tax dollars, even if you found a way to make it constitutional. It's still tax dollars. And they should not go to allow you to discriminate and they should not go to allow you to pay for business practices that aren't allowed in the public schools. I-- I don't even agree with it as it is that Catholic schools don't cover birth control. That is a healthcare need. That is something that families need access to for financially planning their family appropriately for them. So as long as we're trying to give tax dollar credits, whatever, to entities that don't have to oblige by the same things that our public schools do for their employees and for their students, they can kick a student out of school for being gay. I'm not saying that they will, but they can. We were told by one of the people on the tour that they will walk with children on their journey if they are transgendered, but they will not use the pronouns that the child prefers. They will use their gender-born pronouns. I'm probably saying that incorrectly, but I'm a little bit tired. And that-- that's just no. I'll support the scholarship fund with my own dollars and my campaign dollars. I'll support parents' option to send their kids to a parochial school if they want to. But tax dollars have to be stewarded in a very specific way, and parochial schools don't have to oblige by those specifications. So I will not support this. I did promise Senator Flood that I would make a clarification that that PAC, the Nebraska Federation for Children, is not associated in any

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way with the Children's Scholarship Fund. I'm sorry for making that mistake, Senator Flood, and thank you for correcting me on it.

WILLIAMS: One minute.

M. CAVANAUGH: Thank you. The Children's Scholarship Fund, I am very familiar with them. I think they do great work and I am happy to have people make donations. I hope that they are raising money today because we're talking about them so much. But I don't think that we should be incentivizing tax dollars to go that way. And Senator Wayne knows every time he says something about tax incentives that I'm like, yeah, I won't vote for that. I might have, and I think Senator Moser said he was going to look into this, I might have voted for TIF. That might be a tax incentive that I voted for. Actually, it is a tax incentive that I voted for, very specific, only one that I would vote for. Thank you.

WILLIAMS: Thank you, Senator Cavanaugh. Senator Day, you're recognized.

DAY: Thank you, Mr. President. I think this is probably going to be my last time on the mike before we get to a cloture vote here shortly. But a couple of things that I wanted to correct for the record. First, I-- I think the last time I was on the mike I mentioned that I have three great public school districts in LD49. I have four great public school districts in LD49. And I have to make sure that I mention my friends in Springfield Platteview public schools. And also, Senator Wayne, if you think that I'm afraid to send my kids to a school in your area, you don't know me very well. That is absolutely incorrect. I don't believe in the idea that we should be protecting children from their own environment because that's not the real world. I would totally be into the idea of moving my kids to a school in your area. That doesn't scare me. And I have-- I would have absolutely no issues with that. And I'll come back to that in a minute. But I mentioned earlier about the commitment that I made to the voters in my district, and the fact that I-- I feel like my strong support for public education and my opposition to programs like this was one of the reasons that they chose me over my opponent in a district that they didn't think that was going to happen. And I wanted to come back to looking at the data when we see that these types of programs do not improve educational outcomes. Mentioning the study from the Brookings Institute, again, there is a few points I wanted to mention on the record. Voucher programs in Louisiana and Indiana have found that public school students that receive vouchers to attend private schools scored lower compared to similar students who did not attend private

schools. The magnitudes of negative impacts were large. In Louisiana, a public school student who is average in math at the 50th percentile and began attending a private school using a voucher, declined to the 34th percentile after one year. If that student was in third, fourth or fifth grade, the decline was steeper to the 26th percentile. Reading declined too. A student at the 50th percentile in reading declined to about the 46th percentile. In Indiana, a student who had entered a private school with a math score in the 50th percentile declined to the 44th percentile after one year. Within the study, it goes on to discuss other scores within private schools. And it mentions if parents look at data from the National Assessment of Educational Progress, they would see that historically private school students regularly score higher than public school students by 15 to 20 points in reading and math, which is a big difference. So a parent might surmise if their child attends private school, their child scores would be higher, too. But some part of that score difference arises because higher performing students select into private schools. Parents do not know how their child would score into pri-- in private school. So that brings me back to my-- my next point, which is the fact that parental involvement is a very strong determinant of educational outcomes for students. If a program like LB364 were implemented, there would be students that would benefit from this program because they have parents who are involved enough to find a school to find out about the program, to fill out an application, and to choose a school for them to go to. The-- the concern is that I have, and some senators have already mentioned this, is that what happens to all of the other kids who are left in public schools because they don't have the advantage of having a parent who is involved enough to go through the process of finding a school, filling out an application, and choosing a school for them to go to? Because in the meantime, when we implement a program like this, we have kids that are already falling through the cracks--

WILLIAMS: One minute.

DAY: --and we're then just creating an even larger crack for those kids to fall through. And I think that, as has been mentioned by several other people, educational outcomes are not based solely in geography or private versus public. There's so many other factors that affect a student's outcome in school: poverty, hunger. And when we talk about those things, we-- we were debating LB108, Senator McCollister's SNAP bill, the other day that involves federal dollars to feed people who don't have enough money to feed their families. And we had the same people who are supporting this bill in-- in the idea of educational equity that don't want to use federal dollars to feed

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the same kids that they're talking about. So when we talk about educational equity, we cannot talk about--

WILLIAMS: Time, Senator.

DAY: Thank you.

WILLIAMS: Thank you, Senator Day. Senator Albrecht, you're recognized.

ALBRECHT: Thank you, Speaker. And again, I stand in full support of LB364 and AM762 and certainly will be visiting with Senator Linehan during-- between now and hopefully Select with Senator Hunt's bill and any others that have been visiting with her. You know, there are a lot of children in my district in District 17. I have a three-inch binder that I just carried down to my office with many, many letters that I could have just got up online, and up here and just read the letters from the different families, the parishioners of some of the churches. Private school, whether you can afford it or not afford it, is a big deal for the parents. Again, it's-- it's a choice that we will give to them if this bill should pass. If, you know, I was a single parent for 17 years. And let me tell you, if somebody would have offered up something like that for-- for one of my two girls, I probably wouldn't have qualified. But had they, I mean, you just think about parents that-- that have to work, as everybody talks about on the floor, two and three jobs to keep your children in the home and the lifestyle that you want them to have. You want to make sure that you can provide for them in every which way you can, but for an opportunity to-- to go to a different school for whatever the reason is. You know, I had a cousin's daughter in a wheelchair for 18 years. Would she have liked to have, you know, gone to a-- a school on a scholarship with her? Yes. I mean, she was disabled. And believe me, she could only make so much money or they wouldn't pay for her-- her assistance, you know, to-- to take care of herself and to have somebody at the house at all times with her. There are so many situations in the state of Nebraska that-- that go unrecognized when these children don't have that opportunity. The families don't have the ability to do that for their children. You know, I think of-- of several situations where, you know, these facilities even, I mean, that-- that these children will attend. It's not like the schools are going to just, the public schools are just going to leave the public schools. These are extenuating circumstances that these children will be offered these scholarships. Not everyone will get to, but to those who have that ability to-- to-- to have the opportunity, I should say, to be chosen, it's-- it's a-- it's a great deal. I mean, today in-- in the world today, if a child is bullied, you know, my-- my bill, my priority bill

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this year that talks about children that are being sexually abused, you know, I mean, some of those kids need a special setting. They need to get away from the area where they're at and be able to go somewhere else. You have situations where families don't have the means to-- to transport their children from one school to another. I mean, these opportunities that are out there need to be explored and we need to be able to allow them to do the things that they need to do. And I just really believe that when I looked at some numbers, there are like 20 schools in the state of Nebraska that the children are at 40 percent of, whether it be reading or math skills or, I mean, that-- obviously, something's going wrong there. I mean, we need to figure out what we need to do for our schools so that that's not happening. I mean, the opportunity for Senator Wayne to pull his child out and-- and be able to take her wherever he-- he would like to, that's wonderful. But you know what? There are also--

WILLIAMS: One minute.

ALBRECHT: Whoa, whoa, whoa. Thank you. There's always opportunities for the children to do what they need to do, and I'll stop here because I can't get my thoughts together because too many people are on the sidelines. Hello. Hello. Can we stop? Hello. Hello. What was that all about?

_____ : Because she came, she came, she's over, coming over here.

ALBRECHT: I'm trying to talk. Thank you. I'm done, thanks. Jeez Louise, I can't even collect my thoughts, your--

WILLIAMS: Time, Senator. Thank you, Senator Albrecht. Senator McDonnell, you're recognized.

McDONNELL: Thank you, Mr. Speaker. Senator Wayne. Again, I rise to-- to talk about working together, making sure that we are thinking and focusing on-- on those children that don't have that-- that opportunity because they have been expelled based on-- on the idea of whatever happened at that time frame and-- and what-- what are we going to do to help them? And what are the options? And as I mentioned a number of times today, we have Street School and they've done a great job. And looking at those kids that were expelled, roughly 90 percent of them, and now 90 percent of them graduating. Senator Wayne, will you yield to a question?

WILLIAMS: Senator Wayne, would you yield?

WAYNE: Yes.

McDONNELL: Senator Wayne, in your district, throughout the state, what-- what do we tell the-- the parents? What are the options for parents that their children have been expelled and they can't financially afford the idea of sending them to a school because they can't afford the tuition? How do we-- how do we take the first step to correcting this-- this problem tonight? What can we get done tonight?

WAYNE: I think this is the first step by offering scholarships. But I think-- I think your overall question is, do we have to narrow the scholarships? I'm in favor of that. I'm in favor of just steps moving to give parents options. Because right now, to your point, kids who are expelled, there aren't any options except for the Omaha Street School, which can definitely need this type of scholarships.

McDONNELL: Thank you, Senator Wayne. The idea of going back to Street School and-- and-- and mentioning those numbers again because I'm just-- I'm so-- I'm so impressed with the work they've done and-- and the diversity of that school, but also knowing that 90 percent of those kids were expelled and 90 percent approximately are graduating, with 33 percent being African-American and 30 percent being Caucasian and Hispanic, 12 percent, and then two or more races, 24 percent. And they're making it work. But I think we should look at the economic impact of that, the economic impact of not incarcerating someone, possibly as an adult for \$38,000 a year or the idea of keeping them out of the juvenile justice system where we know that potentially they're never going to get that education. And this isn't a-- this isn't a bill where you have to be opposed to something to support-- support this bill. You don't. You don't have to be opposed to public education. As I mentioned before, I'm-- I'm supporting public education. And for the people that graduate and have a good education, we know that's happening every day east, west, north, south in the state of Nebraska. But for those kids that aren't graduating, which roughly looking at the-- the stats from a few years ago, it was roughly 22 percent do not-- do not graduate. But then looking at the people again that have been expelled and I can't-- they have no options. Their families now, some of them because of financial resources, have options. These kids don't. And eventually, if we don't give them more options on-- on an education and keep them going the right direction. And again, sometimes it's a-- a good school for a kid and it's a good fit and other times it isn't. But really, when we talk about having options and giving people options because some of us are-- are better off financially then sure, that-- that's not maybe a good fit at that public school and we have the ability to move them.

WILLIAMS: One minute.

McDONNELL: There's also times where, again, I can't emphasize this more and-- and how heart-wrenching it is for those parents that have reached out and said, I-- I don't have that option and there's something wrong here. It's not working. They even gave examples of it worked for one of my kids. The public school is great. It's not working for another child. And what are my options based on the idea that they-- they can't afford it and-- and they need help and that's what they're asking us for. Please give us help. And-- and that's what I think we're trying to do with this bill. And if we can continue to talk and-- and get this bill moved from General to Select and continue to work as-- as a group and come up with ideas how to help these kids, that's-- that's what I'm asking for tonight. Thank you, Mr. President.

WILLIAMS: Thank you, Senator McDonnell and Senator Wayne. Senator Groene, you're recognized.

GROENE: Thank you, Mr. President. First, for the record, I wanted to finish the prayer I started last time. Jesus save us is what I said, incomplete. And I meant it. I heard talk about millionaires. Thank God for millionaires. Got the Lied Center, you got the Holland Center. You got Hawks practice field. Thank God for those people who want to give their money to help communities. Thank God for the free enterprise system that allows millionaires to exist. If some of those indiv-- and I don't think it's going to be those individuals, it's going to be the higher middle class family who wants to help somebody will give their \$10,000 or \$5,000 to the-- to the-- this chosen charity because they started out in a, as a poor individual child in a private school and they succeeded in lives. That's what a lot of philanthropy is. That's why a lot of the money comes back to the university because they credit the university or Creighton University for their, some of their success. That's all we're asking here. Allow those people to help. A good point by Senator McDonnell. It'd sure be nice if Senator Wayne and Senator McKinney and even me in North Platte, a poor family, calls me and said they're having-- I get it all the time, not all the time, but often enough. What do I do? I said, well, get your child out of that school. And the silence. I can't offer them a choice. I can't offer them where they could go to. I heard some parents aren't capable of even making that decision. Well, let me tell you, there's a lot of mentors out there, people who volunteer for-- my brother does it in north Omaha-- volunteers, has a flag football team, has a basketball team. He mentors these kids. And if he could tell some of these kids there's opportunity out there, don't give up, I'll help you get into this school. He can't. That opportunity isn't there. As I said

earlier, this has nothing to do with public schools. This has to do with opportunities for some children who it fits, who needs a change, just need to start over again. Senator Wayne and I don't have nowhere to go. What do we tell them? Put your hopes in Opportunity Scholarship Fund, only 400 kids get it and you get a rejection letter because you had your hope dashed because some-- it wasn't enough funds? Really? And I don't want to talk about some organization that donated money against certain politicians. There wouldn't be a conservative on this floor support public education after what the teachers unions done to us. I got so many nasty fliers. After about eight of them, my wife looked at one of them and said, if I knew you were this kind of a scoundrel, I'd never married you. But guess what? I'm a supporter of public education because I look past that because I know 80, 90 percent of those teachers are just like me. They go to church on Sunday, they raise their kids, and they have a job. But I don't hold a grudge against those or the individual that lives in the swamp under the teachers union building over here who sends out those fliers. I just want to help kids.

WILLIAMS: One minute.

GROENE: We give breaks to wealthy all the time. There's an angel credit that if you invest money in this economic development for some company startup, you get a huge credit, huge credit called an angel fund, investor fund. You risk losing the money. We do it all the time. And who else can help but the people who have been blessed by success in a free enterprise system in America? Thank God for millionaires, thank God for a few billionaires too. I'm not going to castigate them. I want them to help. I want to be philanthropy out of them. This is good. This is good for kids. This is good for Nebraska. And I want to give some of my-- I got a lot of poor individuals in North Platte. We have poverty. We got three, at least three, four schools that are private there. I would like to be able to say, hey, kid, single mom, I got that the other day about a kid being bullied and what to do. Mother was crying.

WILLIAMS: Time, Senator. Thank you, Senator Groene. Senator Matt Hansen, you're recognized.

M. HANSEN: Thank you, Mr. President. I'm upset and frustrated as long as many of you, including by the framing of my constitutional concerns as being a red herring. I think disingenuous has been brought up by at least once and if not, I apologize. This is a solid analysis and sure, I could be proven to be wrong, but I can't be just dismissed out of hand. Our amendment is different than other states. We have a

different case history, and we are not going to get struck down on First Amendment grounds because we've already changed the egregious part of the First Amendment. The letter Senator Linehan originally passed out to refute me was from the Institute of Justice, said it's not-- not pose an obstacle to the constitution. It's from the Institute of Justice. Their same website says, when you click on Nebraska in terms of life after Espinoza, it says the decision in Espinoza simply reinforces Nebraska's jurisprudence prohibiting states from excluding religious options for families and generally available scholarship funds. That's what Espinoza means. Means you can't discriminate against religions. My argument is that our constitution prohibits scholarships to go through K-12. That is a different argument 100 percent than the First Amendment violations at heart of Espinoza. I may be proven to be wrong, but I'm not the only one who thinks this way, and it is not a disingenuous argument. Some of the things that I have found to be disingenuous are some of the objections and frustrations over the process. I was so shocked by people getting so upset about the bracket motion that I had to go back and double-check because I remember standing on this floor several years ago at about this time of night on a late night in April. And my priority bill got bracketed after half an hour over a misinterpretation of a clause I was working to negotiate out of the bill. And somebody called the question and there were 27 votes up on the board to bracket my motion, including several people who are upset at Senator Cavanaugh today, called the question, voted for the motion over an optional thing in the first place that I was willing to take out of a bill. And you know what? I went over and I shook the introducer of the bracket motion's hand because he told me it was coming and he said he thought he had 25 and he had 27. And that's how it works. That's how it works. You count to 25, you count to 17, you count to 33 and you build coalitions, you build opposition, whatever. But let's not pretend that anything that has happened on this bill has been unusual or egregious or odd. This is how filibusters work. This is how extended debate works. Senator Linehan might have a point if she had an amendment that she couldn't introduce, that she couldn't option. The only amendment that we haven't gotten to is an amendment by Senator Morfeld that I presume is a hostile amendment she wouldn't like anyways, and a placeholder amendment that strikes one word and replaces it with a synonym that I have to assume is a placeholder amendment, which is its own type of procedural game that I understand and I support. So it's getting hot at the end of the night. We're getting frustrated. I don't think there's any surprise at how this vote's going to come up and go. But these are all things that happen and happen in debate and are-- and are not unusual. And the fact that

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this body can get so frustrated that people can go raise their voice at Senator Cavanaugh for doing something that I literally did to another tax bill-- was that earlier this week? I think it might have been-- shows how sometimes we choose to play victim in this body when things are just happening as normal. I would be a big fan of changing the norms in this body. I would-- I've proposed rules. We've done some of these things--

WILLIAMS: One minute.

M. HANSEN: --to fix this. Thank you, Mr. President. We've done some of these things to fix this. And that's partially why I try and, people tease me about this, but I talk about norms a lot because I want them to know what they are. I want to know what the rules are. And if we're saying, hey, bracket motions are so egregious we'll never file them again, OK, like we can make that standard, just like we've made some of our other motions, like a big deal. It's a big deal to IPP bills. It's a big deal to file an IPP on the floor. Senator Hilgers proposed eliminating an IPP because he thought it was egregious. And I thought that was-- disagreed with the ultimate proposal, but I thought he was going the right way about it, as opposed to just selectively criticizing when some people choose to file some motions. But you're more than willing and able to file them elsewhere. Nothing that's happened today has been unusual. Nothing that's happened today has been inappropriate. And if we decide that it is no longer appropriate and we don't want it to be usual, we collectively as a body have to make that decision. And it has to happen on bills you don't like either, because right now it seems like there's a set of standards that applies only to Senator Cavanaugh and not to other members of the body.

WILLIAMS: Time, Senator.

M. HANSEN: Thank you.

WILLIAMS: Thank you, Senator Matt Hansen. Senator Briese, you're recognized.

BRIESE: Thank you, Mr. President. And good evening, colleagues. When I look at AM762 and what Senator Linehan indicated earlier, Senator Linehan has come a long, long ways on this. Total dollars here down to \$5 million a year. Compare that to the original proposal. Capping deductions at \$5,000 and \$10,000 per year, depending on whether you're an individual or business. Instead of a one-to-one credit, 75 percent credit, and most importantly, sunseting this thing. She's worked

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hard, very hard to make this palatable for all. And I-- I think she may even be willing to do a little more. And if early childhood is important to you, you need to recognize what's at stake here. AM762 can help expand early childhood infrastructure across the state. It can help expand access to early childhood opportunities across the state. And that's important and that's critical to the growth of our state, growth of our communities, and critical in our efforts to move forward. So let's move this forward to Select tonight, continue to work on it, and it can be a win for all Nebraska kids, all Nebraska parents, all Nebraska communities. And I would like to yield the rest of my time to Senator Wayne. Thank you.

WILLIAMS: Senator Wayne, you're recognized and yielded 3:20.

WAYNE: Thank you, Mr. President, and thank you, Senator Briese. So first I-- I did something I said I wasn't going to do this year, so I saw this going to be a short, short, short conversation, is I mentioned senators by name. And I said I wasn't going to do that, so I want to apologize to Senator Day and Senator John Cavanaugh. I'm not going to apologize to Machaela Cavanaugh, because she agrees with sending her kids down in my district so I think she's OK with that. I do appreciate the debate. I won't lie. It's personal to me because it's personal in my district. It's personal to many people in my family, not my immediate family, but family and friends that we're talking about scholarships and we're talking about tax credits. And when we give out tax exemptions and tax credits to a tune greater than our budget, that's the fact, I don't know why we can't do scholarships. So I hope we get to a vote. I hope this moves to Select File so we can see the amendments that were talked about and vote on those. And I hope we continue to focus on kids and the actual kids and not-- not get caught up in all the politics. Thank you, Mr. President.

WILLIAMS: Thank you, Senator Wayne and Senator Briese. Senator John Cavanaugh, you're recognized.

J. CAVANAUGH: Thank you, Mr. President, I appreciate the apology from Senator Wayne, though I didn't really take any offense at it. It's no secret, of course, I started out the day talking about sending my kids to Catholic school. And I didn't really get to address the reasons that I do, but everybody knows I'm a Catholic and I want my kids to get a Catholic education. They go to Mass every week, my daughter goes, and they have conversations about religious formation. And so I would actually probably like to send my kids to a public school. I would consider it. But as being a member of a family, I made-- we've made decisions about how we're going to raise our kids and we

committed to raising them Catholic, which includes making sure that they get a religious education. I actually brought, I read, as everybody probably knows or seen. I read the Catholic Voice. And since I've been here, I've been reading the, I guess, Lincoln Diocese version of that, which is, I think called the Register. The Catholic Voice comes out monthly and the Register, I think, is weekly or biweekly. So it comes out more often, which I enjoy. But I brought my copy of the Catholic Voice from this month, which has quite a few articles about this particular bill and this scholarship. And I would tell you that I-- I thought about talking about this subject matter and got back and forth. But because it's relevant to this particular topic, I guess I will. So the Catholic Voice article that I could make a copy for everybody specifically says the importance of the Opportunity Scholarship that LB364 creates is to allow people to choose the religious formation that I just described and to allow them to opt out of the, particularly these types of health and-- and sex ed that is provided in public schools, which my understanding is in public schools, if you don't like that, that human growth and development subject matter, you can actually opt out of it for your kids and-- and handle that yourself. So the-- the stated reason published in the paper is not educational opportunity, it is religious formation. And that is the thing I chose, not a quality of education, not opportunity, but it's religious formation and that is the function and service that the Catholic Church provides. I respect, appreciate, love the mission of the Catholic Church of serving people, of reaching out to people, to lift up people, to be involved and actually help people even when they are not members of the Catholic faith, that that is the things that I love about the Catholic Church. And that is why I am a Catholic. And that is why I subscribe to the philosophy, because the philosophy that I was taught in my religious formation was about caring for other people and lifting everyone up. But the stated purpose of this is to get people out of schools, not because they're not a high-quality school, but because we want to-- to have more people go through religious formation. And though I believe in it and I want it, that is not the role for the state. And to go back to what we talked about earlier, if you want to make that available to other people, you can open up your own checkbook and write the check to the charity that Senator Flood and the other Senator Cavanaugh have talked about that will help fund these scholarships for people. And I-- I do think that it is sad that some people who want that religious formation don't have the opportunity to get that. But when it comes to paying for religious formation and religious education, that's not something that we should be doing in the state here. And if we really are serious about improving academic outcomes and improving academic

opportunity, we need to invest in those nonreligious options available that will--

HILGERS: One minute.

J. CAVANAUGH: --actually help improve those, which are the things that I have talked about all day, which is improving housing security, food security, improving life as a whole for people, giving people opportunities, making sure people have access to good quality healthcare. Those are the things that we can do as a secular institution, being the state, to help people succeed in school. We should not be putting state resources towards religious formation. That is problematic. And I don't like the argument of slippery slope, but that is one of the things that-- one of the reasons people are against this is it's just a small amount of money is what everybody says, just a pilot program. But there is no question that state money shouldn't be used to pay for religious formation. We've had that conversation. That is one of the things that, the foundational things of this country. Mr. Speaker, how much time do I have?

HILGERS: Six seconds.

J. CAVANAUGH: Oh, well, thank you, everyone. It's been a great conversation today. I didn't get my one minute. Thank you. But thanks, everyone, for the conversation. And I look forward to voting on this in a little bit. Thank you.

HILGERS: Senator Cavanaugh, you did get your one minute, just for the record.

J. CAVANAUGH: I apologize to Mr. Speaker.

HILGERS: Thank you, Senator Cavanaugh. Senator Pahls, you're recognized.

PAHLS: Thank you, Mr. President. Just going to reiterate a couple of comments I had stated earlier. Right now, every one of your schools is tested and is reported to the State Department. You can pull up, you can see where the schools in your district, how they are rated. There are four scales. What I'm concerned about are the number of schools that still are in the area needs improvement. Every year they select three or four schools and put them on a priority list. But if they were going to go through all these schools, it would be a number of years before they could take a look at every one of those schools and help them. Simply put, if we are willing to spend more money on this program because there is intervention teams, it's set up. I'm doing--

saying this just from the information I have gathered from reading. This came after I retired because I was never involved in this process. But I can tell you right now, when a team comes into your school and they start looking at all the achievement scores, reading, math, writing, they take a look at the attitude of the teachers, the parents, the students. They pretty well define your school. And it is pretty-- it's really interesting. And as a school administrator, you're probably sweating a little bit because there are things that are going to be pointed out to you that you may have been blind to. There are over 100 schools that are on that list. They just need help. Have another group come in, analyze, they set a plan of action, and they go from there. To me, it's a, at times, a painful process, but a learning process and it will improve your schools. And they're not all in the metropolitan areas. I mentioned a few and some of your schools for the west. But you can pull up online and you can see where your, how your schools are evaluated and at what level, if they're excellent, good, great, good, or needs improvement. And then when you are a priority school, that means they're out there working with you. If nothing else, I would hope the Education Committee would work with the State Department to see if there is any value in what they are doing because it's accountability. I say that is what we're doing for public schools. If the private schools would show that accountability, use these same testing measurements and report that to the state, I would probably be on board. There needs to be, not theirs, but an accountability that they're not in charge of because the schools are not in charge of this accountability. The state sets all these assessment, the guidelines, the test. And if you are a good school, whether you're private or public, maybe you reflecting on yourself, it's not all bad. I happen to put a couple of schools I was involved with under the Blue Ribbon School. They come in and they analyze you. And I can brag about it because they passed and this was national standards. It's tough, but it really made us all grow. We started taking a look at saying we need to improve this, do this. I'm just saying all schools, all schools ought to be willing to share their information to the public, not just CAT scores or achievement tests, but everything.

HILGERS: One minute.

PAHLS: Thank you. And if you use the State Department, they would not control you. They would help you. I know they would make you a better school just by looking at all the data. Here's another thing I'm going to challenge. I need to challenge myself. I've been out of the school system for a number of years now. I haven't been back into a public school for a long time. I've been into a couple of private schools. I

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went with Senator McDonnell to the Street School, school with 34 students with high needs, working very hard. I was impressed. But I think we need to take a look at the public schools class size and then take a look at the private schools class size. You can see why somebody may say, hey, I might want to send my child there because I know that it's better to be 1 of 12, 15, 18--

HILGERS: That's time, Senator.

PAHLS: --as opposed to 1 of 25. Thank you.

HILGERS: Thank you, Senator Pahls. Senator Flood, you're recognized.

FLOOD: Thank you, Mr. President. At the beginning of the session as I sat on the Revenue Committee, the way that things are presented, everything seemed to be a binary choice, a zero or a one. It was you're either this or you're this. And one of the things that I have come to appreciate here on the 20th day of April is that you can be for them all because they are all options for parents. I want to reaffirm my support of the work that schools are doing in-- in Omaha, in Grand Island, in smaller communities like Battle Creek, schools that don't get equalization aid that I-- I've talked to the patrons and the parents and the administrators, and I'd like to see it changed. To the schools that do get the aid, because I know they have a need, especially with sometimes kids that have all sorts of hurdles before they even get to learn in the environment. And for a long time, you know, even as a member of the Children's Scholarship Fund, which that board is made up of just exceptional people. Ken Bird, former superintendent of Westside Public Schools, is part of that. Obviously, somebody who's dedicated his life to public education, continues to give his time now to-- to make sure that this choice is available through raising private money. I will tell you that my time on the Children's Scholarship Fund, I see that as-- as an investment. And I got to the Legislature and I didn't even know that I would go down this road. But the opportunity that we saw provided to parents, especially those that testified from the Omaha area and Father Dave Korth and his school, it's hard to deny that there's a value there. And so I would urge you to say you can have it all. You can be for public education. You can do this. At the end of the day, if we're going to-- if we're going to say it's mutually exclusive, you'd have to show up on every single bill that wants any kind of a tax credit. You'd have to have the same argument for ethanol blender pumps and electric charging stations and all the other things that come in for tax credits. And if you get to choose a tax credit, if the state's going to-- going to try this, why not try it on these families that

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are doing this because they found something that works in their unique situation without criticizing the public school? Tax credits were good enough to get ethanol plants started in 19-- in 2003. I'd say it worked pretty well. The EPIC program worked really well. I'd rather put my money on a K-12, on a K-8 school somewhere that provides that option for somebody in a situation that's far different than-- that I'm living in right now because those hurdles are special. And I can tell you that the people that are getting these scholarships, they're so invested in their young person, their-- their child's future. There's to me, you can-- you can draw the lines you want about things being mutually exclusive. But this is something that actually if you sat through the hearing, you'd have a hard time not smiling to see the joy of the parent and the smile on the kid's face. And it is something that we can do in a very limited way. And if this were to go to Select File, I think we need to make the changes that Senator Linehan has outlined, the \$5,000 per individual, the sunset at five years, drop the deduction to 75 percent to match Senator Briese's, and let the data prove it out. And each one of us should meet every one of those parents--

HILGERS: One minute.

FLOOD: --to be honest if you really want to find out where your money goes. And so I think the characterization that you're either for public schools or you're against public schools, I'm for them. I need them to be successful. My kids have gone to public schools. We believe in them. We know that they are doing a lot of good work and so are these other schools. And for me, this isn't a binary choice. What is binary is it's a tax credit and so are ethanol blender pumps and so are electric car charging stations and so are the beginning farmer tax credit. Folks, we have a tax credit for beginning farmers. We're talking about a tax credit that drops something special into the life of a third grader. What are we doing? Why not say to that parent, you know what? Funds allowed us to do this, we're going to do it. That's not--

HILGERS: That's time, Senator.

FLOOD: --a bad outcome. Thank you.

HILGERS: Thank you, Senator Flood. Senator McCollister, you're recognized.

McCOLLISTER: Thank you, Mr. President. As we come close to time to have our cloture vote, I'm grateful for this good discussion that

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we've had today on this issue. I do not dislike parochial schools and what they do is incredibly good and what a good bargain they are. You look at the resources they have. They do a miraculous job with the kids east of 72nd Street. I know that to be true. It pains me to vote against my good friend, Senator Linehan. She's a good person, a good advocate. But unfortunately, I have a-- a problem with the tax credit for this particular program. So with that, Mr. President, I yield the balance of my time.

HILGERS: Thank you, Senator McCollister. Senator Matt Hansen, you're recognized.

M. HANSEN: Thank you, Mr. President, and good evening again, colleagues. So I've been-- it's-- I appreciate how many people have wanted to share their-- their voices and their votes and their, not their votes, their voices and their discussions today. It's-- it's to the fact and to the point that, you know, although I felt like I've spent a fair amount of time talking today, I haven't actually ever gotten to like a heart of the issue or some of the core things that are important to me because I thought the constitutional concerns were worthy of being raised and worthy of doing. Let me say that as somebody who has worked in our public schools, and I don't-- I don't know if everybody knows that, but that was my job before I got elected to the Legislature. I was with a program Lincoln Public Schools has to work one on one with students. And I was-- was teaching, teaching math or mentoring in math in elementary schools. And as part of my job, because it went by need, I would go to different schools, including different schools on the same day. And I went to some of the highest performing schools in Lincoln and I went to some of the lowest performing schools in Lincoln. And being able to see that disparate impact on students and having some of those conversations and seeing what, you know, literally same day, you know, spending a couple hours in one school and another and being able to compare and contrast has shaped a lot of what I view and what I think about education. So some of the comments today by a number of senators, including especially schools in Omaha and some of the failures of public schools or students who do not succeed in public schools, I absolutely get that. I-- I forget the exact language, but I had my student at Prescott Elementary had a new student in his class. And they said-- he said he put him in his class because, I-- I forget the language, I think it was one of maybe a Southeast Asian language. But he said they put him in his class because he didn't speak any English and they had a kid who spoke the same language and a little bit of English. And so they were in his class and also going obviously to ELL. But that was technically, you know, their homeroom. That's-- that's why they were

in that group. And to think about that that's a burden and that's a challenge that we're putting on our schools. And that is what some of the things the public schools struggle with, it's not the fault of the public schools. It's not the fault of the people who work there. It's not the fault of administrators. It's not anybody's necessarily fault. It's just that's what happens when you have geographic base things and localized poverty. That is kind of some of the fundamental issues. And I understand the desire of kind of the change to move to different systems. But for me, thinking about this private school system versus public school systems, you know, over the long history of our state, they've grown together. They've grown side by side. We've had private schools, I'm sure, as long as we've had public schools in the state of Nebraska. And private schools have not solved some of the institutional problems of our state. It's the same way public schools haven't solved some of the institutional problems of our state, in part because schools aren't designed to solve the institutional problems of the state. They're, unfortunately, a lot of times that kind of get problems dumped on them and for lack of money, lack of funds. And I cannot say I blame a single parent who is unhappy with their school--

HILGERS: One minute.

M. HANSEN: --for wanting another option. Thank you, Mr. President-- for wanting another option. I just fail to see how I've-- how kind of running forward with in my mind an unconstitutional system that's only going to get tied up in litigation is being held up as this kind of-- it's being held up as what it is. And I understand the mentality of if we can help one kid, if we can help 400 kids, whatever the number is, that's one kid and 400 kids we can help. And I get that and I get that and I feel that. But I still cannot get over some of the fundamental issues of, you know, this is a system that's existed with problems on both sides the whole time. And shifting some money around, I don't know if it's going to do anything. I simply don't. Thank you, Mr. President.

HILGERS: Thank you, Senator Hansen. Senator Hunt, you're recognized.

HUNT: Sorry, I wasn't quite ready. I'm working on some other things during this long day. I'm preoccupied right now working on some things around LR107, which was introduced by 31 of you. And I know for a fact that at least 29 of you or something didn't read it, because this is like so partisan and so funny and so bombastic and crazy. So LR107, colleagues, that's a shot across the bow for what's coming down the pike with that. And I'm going to have a lot of fun with that if that

comes to the floor. But I'm going to do my best to prevent that from happening. So on LB364, a constituent emailed me and he said something kind of funny. He said this bill would be more accurately labeled as the individual and corporate tax breaks to promote private schooling while prohibiting accountability to the state act. I thought that was about right. As you know, the impact of a tax credit on the state budget is similar to a budget expenditure. These proposed tax credits will reduce funds collected by the state and negatively impact the state budget. By lowering the resources available to the state, this bill will continue the trend of forcing the cost of education in Nebraska to be borne by local taxpayers. Even if the proposed tax credits are concerning, if the Legislature really does want to be in the tax credit business, a more representative and a less divisive approach would be to allow the same tax credits for donations to public schools. From my standpoint, that would make the bill better. If taxpayers and donors were allowed to make the same tax advantage, donations to public schools, and it would also help the constituents in our districts whose children attend public schools. The real winners, if this bill passes, are the corporations and the wealthy people in our state who stand to benefit from the tax credit. The bill notes that the tax credit could serve 400 to 700 kids. But again, colleagues, there's nothing stopping donors from providing scholarships to students that want them now. If we have to incentivize people to give to charity by giving them a tax credit, then that's not the appropriate role of government. These scholarships might serve a few hundred kids, but the entire tax credit could go to a single donor. If a wealthy individual or corporation had at least \$10 million in income tax liability, they could make a \$5 million donation and wipe out the whole fund for the tax credit. And they could claim the entire value of the credit. The purpose of this bill is to attract large donations to private schools, not small ones. I understand that Senator Linehan is willing to work on that between Select or General and Select File, lowering the threshold of the amount of money that somebody could donate to one of these scholarship granting organizations for the tax credit to like \$5,000. But even if that happened, I would still be against the bill because it would still be moving revenue in the form of a tax credit into the private sector and into parochial schools, which I really cannot support in government. I've heard many great statements today that were very good, but I'm just going to say it directly. This bill uses public funds to incentivize charity that benefits private schools that discriminate against gay people. It's that simple.

HILGERS: One minute.

HUNT: And that's the basis of my opposition to this. And without my amendment, AM1051, there would be nothing preventing a school from discriminating on any basis-- on the basis of race, on the basis of disability, on the basis of national origin or special education status or citizenship status. And that should be really concerning to us, colleagues. It doesn't really matter if you like Catholic school or you went to Catholic school or you went to public school, or you send your kids to parochial school or your aunts, cousins, mom went to Catholic school. It has no bearing on the validity of this bill. It has no bearing on whether or not this is a good idea or if it's good governance. And so we can stand up here and share our private school bona fides and our public school bona fides. But none of that matters or has any bearing on whether or not this is good policy. It's never good policy to use public funds for private education. Thank you, Mr. Speaker.

HILGERS: Thank you, Senator Hunt. Senator Morfeld, you're recognized.

MORFELD: Thank you, Mr. President. Colleagues, I think we're coming up on our time here. And I've talked to Senator Linehan and I offered her some of my time because this is her bill, and I'd like to give her that courtesy. That being said, I-- I do feel like I need to say a few things in closing on my end. I still firmly believe that this is a tax credit that will simply fund what people are currently already doing. And it will not have the benefit that is intended. In addition, colleagues, I also firmly believe that there are constitutional concerns with this legislation pursuant to our state constitution. And as we have discussed time and time again, Senator Hansen, Senator John Cavanaugh and others have talked about, the case that Senator Linehan had brought up-- colleagues-- the case that Senator Linehan had brought up, it was not on point. It is not relevant in this context. We can-- we can restrict this type of funding; but if we provide these-- this type of funding, then we cannot simply discriminate against religious versus private institutions. That's the difference with the court case. We do not have to-- we do not have to fund private institutions pursuant to that court case. That was not the holding and that was not the underlying facts. Colleagues, I think all too often what happens is, in my opinion, public education and K-12 public schools are the last well-funded institutions that we have in many cases. And we all know they don't have enough funding as it is. But compared to the other public services and the other public institutions, they're the last ones with the ability to be able to serve their-- their communities and our children. And all too often they get saddled with all of the blame of the underlying policy failures in our state, in our community, and our country and it's not

fair because it's not their fault. Should we hold them accountable? Yes. Should we make sure that there's targeted funding and policies? Absolutely. But poverty is not public schools' fault. And we know that poverty is a huge indicator in student success from time to time. Colleagues, I urge that you vote no on this legislation and on the cloture motion. And with that, out of courtesy, I'll yield the balance of my time to Senator Linehan.

HILGERS: Senator Linehan, 2:11.

LINEHAN: Thank you, Senator Morfeld. And thank you, Mr. Speaker. I'm with two minds like to launch off on comments that were just not most recently, but comments were made. I am just going to touch on this [INAUDIBLE]. You can't-- we can't say if someone did, I think or maybe I'm misunderstood, it's not the teacher's fault, it's not the administration's fault, it's not the school's fault. OK, then, it's the kids' fault? We have to hold them accountable, but it's nobody's fault. I mean, here's-- we've been doing since the Learning Community, we have been trying to correct things. And like it or not, guys, if you look at the history of these issues, legislatures, brave legislatures have made very tough decisions like on the Learning Community. And then we roll it back because it's hard. Senator Walz knows we're supposed to get a report from the Learning Community about the scores and the demographics in every building. We don't get it.

HILGERS: One minute.

LINEHAN: So anyway, enough of that. I know this is a close vote and I know it's a hard vote and I know that people have been getting emails. And-- but I want to thank some people who have been-- you've all been very brave, frankly. It's been a tough vote. But I want to call out some people who have been especially helpful. First off, Senator Briese for being willing to try and work with me to put these two bills together. Senator Flood, who had a very difficult decision to support this bill. His community is 25 percent private schools, they've got a great public school. And he has-- he's like me. Somehow we can't be for both. It's ridiculous. Senator Wayne, whose heart's been in this all day. Senator McDonnell, who was with me almost as soon as he got here, he would support this because he knows, he actually knows what this does for children. Senator Lindstrom--

HILGERS: It's time, Senator.

LINEHAN: There were Senator Kolterman and Senator Albrecht. Thank you.

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HILGERS: Thank you, Senator Linehan and Senator Morfeld. Mr. Clerk, you have a motion on the desk?

CLERK: I do, Mr. President. Senator Linehan would move to invoke cloture pursuant to Rule 7, Section 10.

HILGERS: It is the ruling of the Chair that there has been full and fair debate afforded to LB364. Senator Linehan, for what purpose do you rise?

LINEHAN: Call of the house, roll call vote regular order.

HILGERS: There has been a request to place the house under call. The question is, shall the house go under call? All those in favor vote aye; all those opposed vote nay. Please record, Mr. Clerk.

CLERK: 32-- 33 ayes, 2 nays to place the house under call.

HILGERS: The house is under call. All unexcused senators please return to the floor. All unauthorized personnel please leave the Chamber. The house is under call. Senator Hunt, please return to the floor. The house is under call. All unexcused senators are now present. The first motion is the motion to invoke cloture. A roll call vote in regular order has been requested. Mr. Clerk, please call the roll.

CLERK: Senator Aguilar voting yes. Senator Albrecht voting yes. Senator Arch voting yes. Senator Blood voting no. Senator Bostar voting no. Senator Bostelman voting yes. Senator Brandt voting no. Senator Brewer voting yes. Senator Briese voting yes. Senator John Cavanaugh voting no. Senator Machaela Cavanaugh voting no. Senator Clements voting yes. Senator Day voting no. Senator DeBoer voting no. Senator Dorn voting yes. Senator Erdman voting yes. Senator Flood voting yes. Senator Friesen voting no. Senator Geist voting yes. Senator Gragert voting yes. Senator Groene voting yes. Senator Halloran voting yes. Senator Ben Hansen voting yes. Senator Matt Hansen voting no. Senator Hilgers voting yes. Senator Hilkemann voting no. Senator Hughes voting yes. Senator Hunt voting no. Senator Kolterman voting yes. Senator Lathrop voting no. Senator Lindstrom voting yes. Senator Linehan voting yes. Senator Lowe voting yes. Senator McCollister voting no. Senator McDonnell voting yes. Senator McKinney voting no. Senator Morfeld voting no. Senator Moser voting yes. Senator Murman voting yes. Senator Pahls voting no. Senator Pansing Brooks not voting. Senator Sanders voting yes. Senator Slama voting yes. Senator Stinner voting yes. Senator Vargas voting yes. Senator Walz not voting. Senator Wayne voting yes. Senator Williams

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voting no. Senator Wishart voting no. 29 ayes, 18 nays, Mr. President, on the motion to invoke cloture.

HILGERS: The motion is not adopted. I raise the call. Mr. Clerk for items.

CLERK: I do, Mr. President, thank you. Confirmation report from the Health and Human Services Committee. Health Committee reports LB628 to General File with amendments. Senator DeBoer, an amendment to LB132; Senator Hilgers to LB406; Senator DeBoer, LB485; Senator Morfeld, LB364. That's all that I had, Mr. President.

HILGERS: Thank you, Mr. Clerk. Colleagues, we're going to stand at ease until about 7:30; and we'll come back at 7:30 to resume debate on the agenda. We will start with LB452. So we'll stand at ease for the next 35 minutes.

[EASE]

HILGERS: The Legislature will come to order. Mr. Clerk, next item.

CLERK: Mr. President, LB452 was a bill originally introduced by Senator McKinney. It's a bill for an act relating to schools; adopts the Financial Literacy Act. Introduced on January 15 of this year. At that time, referred to the Education Committee, advanced to General File. There are Education Committee amendments pending.

HILGERS: Senator McKinney, you are recognized to open on LB452.

McKINNEY: Thank you, Mr. President. Financial literacy is, is not an issue unique to any one population. It affects everyone, regardless of sex, gender, race, or socioeconomic background. What we know to be true is that a great deal of young people spend 12 to 16 years in formal education gaining skills in effort to place themselves in a position to succeed in life. Yet what often happens is we operate under the expectation that financial and economic knowledge will in some way penetrate them through mere osmosis. It is simply unfair and neglectful to expect 17- and 18-year-old high school graduates to thrive economically postgraduation with no prior preparation when just a few months prior, they had to raise their hands for permission to use the restroom. The economic strength of future generations of Nebraskans depends on our students being equipped with information that will help secure their financial well-being in adulthood. Money touches every aspect of our lives, big and small. Many of us didn't begin to touch the surface of learning about finances until we incurred mountains of consumer or student loan debt or made mistakes

that were very difficult to rebound from. At minimum, finances can dictate what we eat, the clothing we buy, our, our propensity to ownership, and housing. If the casual, casual connection between money and all of those things were taught early on, how might that have affected the plans we made for ourselves post high school graduation? For many, it could be a career path decision, the choice to become a lawyer or a mechanic. To this end, it would then turn into an education question: trade school, junior college, or four-year institution? These are high-stakes decisions that we expect young adults to ultimately make while also taking a risk that they may-- that many don't understand the financial implications of. While all Nebraska students are in contemplation of this bill, I would be remiss if I didn't mention specific issues concerning my district, District 11, which has the highest poverty rate in our state, a very sobering reality that we are reminded of year after year. There is not one easy fix to this hard truth. However, one clear variable in shifting the tide of poverty is a focus on ensuring that our students possess the knowledge and skills regarding the basics of budgeting, credit, checking and savings accounts, loans, taxes, stocks, and insurance. It is not lost upon us the efforts and the steps that the Nebraska Department of Education and Omaha Public Schools and other public schools across the state have taken in writing and improving financial literacy, literacy standards within a social studies curriculum in K-12 education. It is for this reason that I have requested feedback from the Department of Education and met with them to see, based on our expertise, what was the best way we could implement this bill while avoiding burden-- burdening, burdening our educators in the, in the education system? I am willing to do so for as long as it takes to help everyone win in this very important issue. In acknowledging Nebraska's administration and the Department of Education, I must, must also acknowledge the work of Nebraska's esteemed educators and their dedication to our students. I recognize that there are senators who probably don't believe that making policy for education is what we should do, but I also recognize that this is what-- I also, I also recognize why this-- why they may feel this way. This is why in pursuit of this bill, I recognize that the intent of this bill is merely the what. It is what, it is what is vital-- it, it was vital that those with the most expertise are included in determining the how. Our students must be prepared for adulthood as best as possible. It's on us to equip them with the practical life skills to succeed. So many Nebraskans spend a lifetime learning about finances through trial and error or trying to build their boats as they sell them. We can help alleviate this by doing more work on the front end. Currently a few states, only 17, require high school students to take a course on

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personal finance, yet the Council for Economic Education survey states that the country's low level of financial knowledge exacerbated the effects of the Great Recession of 2008. I ask for your support-- I ask for your green vote on this bill and I'm, I'm also open to any questions. Thank you.

HILGERS: Thank you, Senator McKinney. Sen-- as the Clerk noted, there are committee amendments. Senator Walz, as Chair of the Education Committee, you're welcome to open on AM636.

WALZ: Thank you, Mr. President. Oh, I almost said good morning, colleagues. Good evening, colleagues. AM636 is a white-copy amendment. All provisions from LB452 are included except as follows. The changes to Section 2 broadens the definition of financial literacy to include, but not be limited to, knowledge and skills regarding budget and financial record keeping, taxes, establishing, building, maintaining, and monitoring credit, debt, savings, risk management, insurance, and investment strategies. Section 3 clarifies the half-credit high school personal financial literacy course requirement prior to graduation. It also adjusts the phases of curriculum that financial literacy is required to be incorporated into from kindergarten through grade 12 to kindergarten through grade eight. It requires the department to create and recommend financial literacy academic content standards and distribute such standards to all school districts to encourage and facilitate uniformity. Each school district is required to adopt its own content standards and create its own program based-- own program based on the recommended standards prescribed by the Nebraska Department of Education. As Senator, Senator McKinney explained, there are currently-- currently there are financial literacy content requirements written into the schools' social studies standards, but they are not incorporated into every grade level and this bill would expand upon those standards. In Section 4, the implementation date has been moved to December 31, 2022, and an annual due date for reporting requirements pursuant to the act has been placed upon school districts. School districts that fail to comply with these require, requirements would lose accreditation status. This section also amends the department's requirement to evaluate each school district's financial literacy court-- course in the same manner they use to evaluate the social studies curriculum. The original Section 5, which prescribed the methods of data collection and reporting requirements, was removed in this bill, as it is our goal to defer to the expertise of Nebraska Department of Education personnel and education leaders for the best strategy. In addition, this amendment incorporates Senator Slama's LB327 to add one half-credit hour in personal finance or financial literacy as a graduation requirement into this bill and

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makes cleanup changes. And finally, this requires the State Board of Education to recommend academic content standards for financial literacy. School districts must adopt recommendations made by the department in accordance to their timeline, but no later than one year following the recommendation. I'd like to thank Senator McKinney for his commitment and hard work on this bill and I would urge you to vote green on the committee amendment and LB452. Thank you.

HILGERS: Thank you, Senator Walz. Debate is now open on AM636. Senator Williams, you're recognized.

WILLIAMS: Thank you, Mr. President, and good evening, everyone. And I would like to start by thanking Senator McKinney for recognizing an-- a really important issue that we need to address. We've spent the last eight hours in this body talking about education and the importance of education and I would contend that not providing a strong financial background to our young people is a significant penalty for them for the rest of their lives. And let me tell you a little bit about that and, and why I feel so strongly about that. As a banker for my entire professional career, you have the opportunity to see people that are from all works-- walks of life making lots of money, making little money. But if they don't have strong financial tendencies and ability to make good, informed decisions, you can make a lot of money and not have any of it at the end of the day or you can have a modest income and if you recognize those things, you can do well in life. We spend a lot of time-- and it's very important-- teaching math, teaching English, teaching history, all of these things to try to make people successful in life, but if they don't have a strong level of education in financial literacy, they are penalized. Many of us in the banking industry have recognized this. Our particular bank teaches financial literacy in four high schools in our banking area. What we have found with that is the schools have been willing to allow us to participate, but it is hard for them to carve out the time to do this. What LB452 as amended with AM636 will require and allow is schools to build this into the program so it is part of the education curriculum. That's absolutely key to the success. Think about it with the people you know, think about it with some of your family members, those family members, those people that you know that have a strong financial background and understanding and make good decisions. Think about the success they've had in life versus those that are on the other side of the spectrum. I think this is something that we, we need to do. It's something that we absolutely should do. And with that, I would yield the balance of my time to Senator McKinney.

HILGERS: Senator McKinney, 2:00.

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McKINNEY: Thank you, thank you, Senator Williams, and thank you, Mr. Speaker. I decided to bring this bill because while, you know, I was campaigning and talking to different people in my community, the conversation about financial literacy kept coming up. And there was a lot of parents saying, hey, can you find a way to do something to make sure that our kids are learning about financial literacy while they're in our schools, whether that's budgeting, learning how to, you know, balance a checkbook, learning about insurance and stocks and loans and things like that? Because I know for many, we didn't learn that and that's not just kids in north Omaha, that's across this state and I strongly believe that we have to prepare our kids for the future and this is the way to do it. You know, I made some mistakes fresh out of high--

HILGERS: One minute.

McKINNEY: --school that I didn't fully understand until later on in life and then you have to deal with those issues. But I think if we can prepare our kids to make better decisions financially, it will go a long way to address a lot of the issues that we see and that we address in this Legislature. And thank you, I yield the rest, rest of my time.

HILGERS: Thank you, Senator McKinney and Senator Williams. Senator Flood, you're recognized.

FLOOD: Thank you, Mr. President and members. I have just a few things that I'd like to bring up and I talked to Senator McKinney about this this afternoon and I'd like to work with him between now and Select File. I do support what Senator McKinney is working to accomplish here. In talking to some of my constituents in the, in the K-12 school district world, they would like to see the, the standards and program models for schools be implemented starting in the '23-24 school year just to give them a little bit more time. I don't know if that's something Senator McKinney can reach agreement on. One of the things that I know Norfolk Public Schools is-- when they do a class, they do five, five credits and this proposes a half-credit in AM636 and so we want to make sure that however this is implemented, that it fits in with the way the school districts assign credit to, to classes like this. And then the third thing, obviously, Senator McKinney is going to get the attention of the, the school districts with a requirement that they have to implement these requirements and if they don't, there's the loss of school accreditation. There is a process. I think it's under Rule 10 for accreditation. I'm not for sure if I have that rule right. And the question that my superintendent had was can we--

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when we list this in the statute, can that then be taken into consideration in the state? Because ultimately the State Board of Education is the accrediting institution or accrediting governing regulator that would decide whether or not someone has the accreditation to be a K-12 school district. So should we put that in the law or should we say-- directive to the State Department of Education that says, hey, this is-- this shall be one of the requirements subject to administration of the appropriate rule? So I think those are things that we can work through. I think Senator McKinney and I feel confident that we can talk about all that and may not have all of it in the amendment, but between now and Select File, I do intend to work with him and appreciate him carrying and bringing this bill. Thank you, Mr. President.

HILGERS: Thank you, Senator Flood. Senator Groene, you're recognized.

GROENE: Thank you, Mr. President. I talked to Senator McKinney and I'm in full agreement with LB452 and I, I showed him the, the work Senator Slama and I-- we did back in 2018 where we changed the civic standards in revenue [SIC] stats-- Statute 79-724 where we actually added economics and financial literacy to the requirements that our schools taught. He has taken that groundwork and I appreciate that he has taken it forward and put it as a-- and working with Senator Slama again and made it a requirement for graduation, not just that they talk about economics and financial literacy. So we build on things in this body and I'm very grateful that-- and we are-- had a hard time getting that passed by the way, but I'm glad that he has taken it and moved it forward. And now we're going to have an actual class, not just included in an economics class or a civics class as a portion of it. There will be an actual class. And I'm taking from Senator Flood, I-- back in my high school days, we had a business class and we balanced checkbooks and we had an economics class and that was-- I'm not going to tell you how many years ago-- in a small town. It's-- if it's not happening now, it's, it's something that's been overlooked and should have never been allowed to happen. And when this bill passed, I guess it will happen and will be in statute and it will be a requirement for graduation, so I am in full support of LB452 amended by AM636.

HILGERS: Thank you, Senator Groene. Senator Bostar, you're recognized.

BOSTAR: Thank you, Mr. Speaker. Colleagues, I know it's getting late, so I'll, I'll just be brief. I rise in full support of AM636 and LB452. I think that this legislation is really representative of some of the small, but extremely meaningful things that we can do as a body

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to have an outsized impact on the future of the lives of, of the youth in our state. And so I want to thank Senator McKinney for bringing this bill and thank Senator Slama for the provisions and the amendment that came from, from her bill and I would urge everyone to vote green on the amendment and the underlying bill. Thank you.

HILGERS: Thank you, Senator Bostar. Senator Hunt, you're recognized.

HUNT: Thank you, Mr. Speaker. Good evening, colleagues. Good evening, Nebraskans. I have spoken to Senator McKinney about this bill and I just wanted to get my thoughts on the record. I'm going to be a present not voting on this bill out of respect to Senator McKinney and the work that he's put into this. I am against the Legislature legislating curriculum, whether that's about, you know, sex education standards or civics education or financial literacy. I think that the role of the Legislature is to do other things and we elect a board of education, we elect school boards, and we have teachers who best know how to craft curriculum in consultation with experts and researchers and the people who are closest to the kids and know them best. From conversations with-- you know, conversations that we've had here in the body, it's clear that we don't agree on the best way to educate students and so I think that it's a bad precedent for governance, for the Legislature to be deciding curriculum. I have been pretty consistent in my opposition to the Legislature's involvement in things that I think belong in the Board of Education. So for that reason, I'll be present not voting on this, but I just wanted to share that view, give you all some food for thought. And with that, I'll yield my time back. Thank you.

HILGERS: Thank you, Senator Hunt. Senator Albrecht, you're recognized.

ALBRECHT: Thank you, Speaker Hilgers. Could I just ask Senator McKinney to yield to just a couple of quick questions?

HILGERS: Senator McKinney, would you yield?

McKINNEY: Yes.

ALBRECHT: My apologies for not being here when you opened, but is this curriculum being used throughout the country and if so, what states have this type of curriculum already enacted?

McKINNEY: In my opening, I think-- I believe I said 17.

ALBRECHT: OK.

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McKINNEY: Yeah.

ALBRECHT: Perfect. OK, that's wonderful. And it's just K-8 and I noticed that your fiscal note is very small. Why would that be? I mean, do they already have curriculum in-- at the department-- State Department of Education or--

McKINNEY: So as Senator Groene had mentioned, they're sort of teaching financial literacy in the social studies curriculum, but it's not fully expanded to all grades, for all children either.

ALBRECHT: OK, so this will be age appropriate at-- from kindergarten through eighth grade that they will get this--

McKINNEY: Yes, it will definitely be age appropriate. What a high school student learns won't be what a kindergarten student learns.

ALBRECHT: Correct, right.

McKINNEY: Yeah.

ALBRECHT: OK. Well, thank you. I'm just happy to hear that it's going on throughout the country and it's not like the State Department of Education has a lot of work to do besides implement it, so excited to hear that. Thank you for bringing this bill.

McKINNEY: No problem.

HILGERS: Thank you, Senator Albrecht and Senator McKinney. Senator Walz, you're recognized.

WALZ: Thank you, Mr. President. Again, I just wanted to stand up and, and say thank you to Senator McKinney. This is an important part of learning for our, our students in Nebraska. I know that there are some things that-- you know, some concerns that the-- some other senators have and I know just from working with Senator McKinney on this bill that he's definitely willing to work out those concerns. I also just wanted to say that I appreciate the fact that he talked about as he was campaigning, this is something that his constituents wanted and he took that seriously and, you know, decided to bring a bill about this. So again, I would appreciate your vote on AM636 and LB452. Thank you.

HILGERS: Thank you, Senator Walz. Senator Wayne, you're recognized.

WAYNE: Thank you, Mr. President. I will be present not voting on this and there's two reasons. One, the social studies curriculum already

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has-- they have to do a budget, they have to do multiple things, at least that's what we have in OPS. I don't know what the rest of the state is. Will Senator Brandt yield to a question?

HILGERS: Senator Brandt, will you yield?

BRANDT: Yes, I will.

WAYNE: Senator Brandt, when you did your, your food to farm or farm to fork-- whatever it was, was the-- did NDE add a, a person to make sure this was done?

BRANDT: We did add a position at the, at the Department of Education for farm to school.

WAYNE: Thank you and the reason I said that is because I don't-- I look at the fiscal note. There isn't anything in the fiscal note for a person, so I don't know how NDE is going to carry this out. And, and this is not an attack on Senator McKinney's bill. This is the conversation we keep having about fiscal notes and how if an agency doesn't like a bill, they always add a fiscal note. So I figured I would take a little bit of time to have you explain your fiscal note and why, why you have a fiscal note.

BRANDT: Is, is that a question?

WAYNE: Yeah, why do you have a fiscal note?

BRANDT: On farm to school?

WAYNE: Yes.

BRANDT: Because it's going to take one full-time position over there to do all the coordination for the bill. On that bill, they will manage a database of producers and school nutrition managers and then they will also coordinate third-party education providers for ag education.

WAYNE: Thank you. Will Senator Pansing Brooks yield to a question?

HILGERS: Senator Pansing Brooks, would you yield?

PANSING BROOKS: Yes, I'd be happy to.

WAYNE: Senator Pansing Brooks, did you have a bill on diversity and inclusion?

PANSING BROOKS: I did.

WAYNE: And did NDE add a person for you?

PANSING BROOKS: A person--

WAYNE: Did they add a FTE for you?

PANSING BROOKS: Yes.

WAYNE: And they felt that they had to have an FTE to make sure it was carried out?

PANSING BROOKS: Yes.

WAYNE: Thank you. This has nothing to do with Senator McKinney's bill. It just goes to the fact that we pick and choose when we want to add FTEs to carry out certain things and when we don't. And again, I have an amendment in, in Senator Brewer's-- Chairman Brewer's Government Affairs that deals with requiring people-- that if there's a fiscal note and if-- and they can only testify neutral as they move forward because this is the kind of games that I think continues to be played by the agencies. We have a financial literacy bill that is critical to our economy if you think about we're a capitalistic society, but there's not a FTE to make sure that's carried out, primarily because they're already doing it, but still, the point is on two other programs, they required a FTE to simply implement a program. We need to take a closer look at agencies. We need to take a closer look at how they are adding FTEs to our fiscal notes and I-- what we're going to do as a body to make sure we correct that. Thank you, Mr. President.

HILGERS: Thank you, Senator Wayne. Seeing no one else in the queue, Senator Walz, you're recognized to close. Senator Walz waives closing. The question before the body is the adoption of the AM636. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Please record, Mr. Clerk.

CLERK: 42 ayes, 0 nays on the committee amendments.

HILGERS: Committee amendments are adopted. Returning to debate on LB452 as amended. Senator Kolterman, you're recognized.

KOLTERMAN: Thank you, Mr. President. Just have one suggestion for Senator Wayne. I, I, I understand your frustration, but don't take it out on your colleague's bill. Let him, let him have his bill. I think

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he, he-- it's his intent to pass this in good, good taste. And, and I, and I agree with you, they don't know what they're doing, but just don't hold that against Senator. Thank you.

HILGERS: Thank you, Senator Kolterman. Senator Wayne, you're recognized.

WAYNE: Senator Mc-- thank you, Mr. President. Senator Kolterman, this had nothing to do with Senator McKinney's bill. I was just showing the inconsistency. And at the end of the day, I find it ironic nobody said that to Senator Chambers the last four years, so I can stand here the rest of the night and I, I can take this for four hours. I just choose not to. What I was doing was pointing out the ironic about when NDE picks and choose and I said it real quickly and I sat down. I'm, I'm, I'm not dealing with that anymore because today was an interesting conversation. And so, yeah, I'm pointing out some inconsistencies and so, yes, I will point it out and we can drag it out and I don't care if my bills die or not and many people know that about me. So yeah, I didn't take it out on Senator McKinney's bill. I'm present not voting because we already have this standard and I wasn't going to make a big deal about the fact that we passing a statute in which we already have the standard. But if we want to go there, we can go there and talk about more government. We can have that conversation, but I believe in Senator McKinney's bill because at the end of the day, not all schools are following it. So we can have that conversation, but I do think it's important, as I continue to see fiscal notes come across here that eats away from our budget, that we talk about the inconsistencies in the Fiscal Office. So I'll have that conversation all the time until we do something about it as a body. Thank you, Mr. President.

HILGERS: Thank you, Senator Wayne. Seeing no one else in the queue, Senator McKinney, you're recognized to close.

McKINNEY: Again, this is a bill that I feel is important to not only just my community, but all students in Nebraska. I think it's important that every student gets some financial literacy education before they graduate high school in our state and I ask for your green vote. Thank you.

HILGERS: Thank you, Senator McKinney. The question before the body is the advancement of LB452 to E&R Initial. All those in favor of vote aye; all those opposed vote nay. Have all those voted who wish to? Please record, Mr. Clerk.

CLERK: 44 ayes, 0 nays on the advancement of the bill.

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HILGERS: LB452 is advanced. Next bill.

CLERK: LB452A by Senator McKinney appropriates funds to implement LB452.

HILGERS: Senator McKinney, you're recognized open on LB452A.

McKINNEY: Thank you, Mr. President. This is the A bill for the implementation of LB452. I would ask for your green vote as well. Thank you.

HILGERS: Thank you, Senator McKinney. Debate is now open on LB452A. Seeing no one in the queue, Senator McKinney, you're recognized to close. Senator McKinney waives closing. Question before the body is the advancement of LB452A to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Please record, Mr. Clerk.

CLERK: 41 ayes, 0 nays on the advancement of the A bill, Mr. President.

HILGERS: LB452A is advanced. Returning to General File 2021 senator priority bill, Mr. Clerk.

CLERK: LB306 is a bill by Senator Brandt. It's a bill for an act relating to public assistance; it provides eligibility requirements relating to the federal low-income home energy assistance program; provides duties for the Department of Health and Human Services. Introduced on January 12, referred to the Health and Human Services Committee, advanced to General File. I have no amendments to the bill, Mr. President.

HILGERS: Senator Brandt, you're recognized to open on LB306.

BRANDT: Thank you, Mr. Speaker. I'd like to thank Senator Arch and the HHS Committee. I'd also like to thank Liz Hruska in the Fiscal Office. I think a lot of times we don't give them enough credit for all the hard work they do. She stayed late last night and just finished an update on the fiscal bill if you guys want to take a look at that online. So good evening, colleagues and Nebraskans watching. Today, I rise to bring you my priority bill, LB306, a bill to expand eligibility requirements for the LIHEAP program. I've passed out a handout to provide you with more information that I'll be referring to as we go along. The Low-Income Home Energy Assistance Program, LIHEAP, is a federally funded program that helps low-income households by providing financial assistance to offset heating and cooling costs on

their utility bills. The LIHEAP program provides heating and cooling assistance, year-round crisis assistance, emergency furnace repair and replacement, a fan program, and weatherization services for eligible Nebraska households. The first page of the handout goes into greater detail on the program and how it works. The second page breaks down the different percentages that go to each section. LIHEAP helps households that pay a high portion of income for home energy to meet immediate home energy needs and is essential in keeping the state's most vulnerable population safe from extreme weather conditions. Nebraska residents can apply for LIHEAP on ACCESSNebraska. If they are eligible, the funds are paid directly to energy providers to cover those bills. Specifically, LB306 would allow more low-income utility customers to be eligible for the program by increasing the income eligibility threshold from 130 percent of the federal poverty level, FPL, to 150 percent of FPL, as is done in 14 other states. Some states are higher. On the last page of the handout, you can see that South Dakota and Iowa are, are at 175 percent. Right now, LIHEAP in Nebraska serves 37,753 households and LB306 would extend it by 8,313 more, according to the fiscal note. LB306 will ensure that not less than 10 percent of LIHEAP funds will be allocated to weatherization assistance. According to federal law, up to 15 percent of the funds could be used for weatherization, as is currently done in 31 states. In Nebraska, it is currently around 8 percent. According to the Nebraska Department of Energy and Environment, the average value of a home weatherization is \$7,500 and can reduce energy used by 25 percent and can provide energy savings for up to 15 years. Weatherization assistance programs enable low-income families to permanently reduce their energy bills by making their households more energy efficient. This gets at the root of the problem that energy assistance programs try to address, making it easier for customers to pay their energy bills. LB306 has 33 cosponsors. It was brought to us by OPPD and has strong support of electric and gas utilities, as well as the AARP, United Way of the Midlands, and others. The bill garners incredible support because it's a no-brainer that helps people and utilities. Helping Nebraskans pay their utility bills is of added urgency because of COVID-19, but Nebraskans are still going to need help long after the pandemic is over and we're back to business as usual. With that, I would ask for your green vote on LB306 to help Nebraskans in need.

HILGERS: Thank you, Senator Brandt. Debate is now open on LB306. Senator Erdman, you're recognized.

ERDMAN: Thank you, Mr. Speaker. I appreciate that. So Senator Brandt, would you yield to a question or two?

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HILGERS: Senator Brandt, would you yield?

BRANDT: Yes, I would.

ERDMAN: Senator Brandt, did you say that the average home improvement was \$7,500?

BRANDT: That's underneath the weatherization program, 10 percent of the funds and the most current year we have full information for is 2019. It was a \$31 million program and I-- they used about 8 percent that year, but roughly a little less than \$3 million got used for weatherization and those weatherization programs are run by the local community action agencies in your areas, except for Omaha, where it's run by Habitat for Humanity.

ERDMAN: OK. So if one spends this money on their home, do you know what the energy savings would be per month?

BRANDT: Well, just based on that-- on the rough number, they're saying that they usually garner about a 25 percent increase in efficiency.

ERDMAN: So are you saying then if your bill was \$200,000, it would reduce it by 25 percent?

BRANDT: Well, the-- let me clarify something here. Weatherization would be-- people that qualify would get, like, insulation in their homes, furnace improvements, storm windows, and things like that. The LIHEAP program itself, of which 90 percent of the funds go to, is for heating and cooling assistance and I believe the, the average assistance there was about \$400 a family a year.

ERDMAN: So you're saying they're just going to pay their heat or cooling bill?

BRANDT: No, we just pay part of their heating and cooling bill.

ERDMAN: That's what I mean. It's used for that. So if, if you spent \$7,500 winterizing or insulating or whatever you're going to do to your home and you only received a 25 percent per month reduction, it might take 30 years to get the \$7,500 back, right?

BRANDT: It could, yeah.

ERDMAN: That seems--

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BRANDT: That, that would be just on the weatherization portion. That's, that's, you know, 10 percent of the total LIHEAP program.

ERDMAN: OK. Can you, can you speak to the fiscal note? It talks about, like, \$225,000 from the General Fund next year.

BRANDT: Actually, that \$225,000 are-- is for 2023.

ERDMAN: OK.

BRANDT: Initially when DHHS came to the hearing and testified, they claimed it would take 23 individuals to do this change. I can tell you in 2015 when they increased it from 115 to 130 percent, it took exactly zero people. Also, in 2016 till last year, we've seen a reduction of about 6,000 households in this program and they have not eliminated any people, so I think our Fiscal Office is probably being generous in saying it would take five more SSWs and a supervisor. They are also going to be receiving some fed funds. How these block grant programs work is 10 percent of the program goes for administration. So if this is \$31 million, HHS gets to take \$3.1 million off the top and the SSWs are also used for SNAP and TANF and childcare. So when you call in to ACCESSNebraska, they combine all those funds for an SSW.

ERDMAN: OK. All right. I, I seen a chart that HHS put together on the difference between 130, 150. Are you familiar with that chart?

BRANDT: In my handout or where is it at?

ERDMAN: I, I got it off of the HHS's website.

BRANDT: I, I--

ERDMAN: It talked, it talked about a family of one. The 130 percent--

HILGERS: One minute.

ERDMAN: --of the federal poverty level is \$16,500; 150 is \$19,100. And so if you get down to a family of six, the poverty level would go to \$152,700. Do you know-- Senator Clements just handed you-- do know what the SMI stands for, 60 percent of that? What does that mean?

BRANDT: Some states don't use the federal poverty level. The SMI is-- it-- when you look to the-- on the last page of our handout, I'm going to say, like, Minnesota, Minnesota and North Dakota use SMI. That's sort of the average household income in the state. It isn't the same as the, as the FPL. It's just a different measurement.

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ERDMAN: OK, thank you.

HILGERS: Thank you, Senator Erdman and Senator Brandt. Senator Erdman, you're next in the queue.

ERDMAN: Thank you, Mr. Speaker. Would Senator Brandt continue with some questions?

HILGERS: Senator Brandt, would you yield?

BRANDT: Yes, I would.

ERDMAN: Senator Brandt, you-- do you-- you maybe mentioned in your opening-- how many people do you think will be added?

BRANDT: The Fiscal Office estimated 8,313 additional households.

ERDMAN: OK, 8,000-- so what's on the-- what are on there now?

BRANDT: I believe 37,000.

ERDMAN: So that's, that's about--

BRANDT: 37,753.

ERDMAN: --that would be about a 20 percent increase, a little over?

BRANDT: I think that's what they-- they, they had to use a number, so that, that was their best estimate.

ERDMAN: OK and who's going to handle the program? Who's going to manage it?

BRANDT: Health and Human Services handles the program. How these block grant programs are administered is through ACCESSNebraska. So if you're calling in for, like, SNAP funding or childcare assistance, the workers-- the social workers that, that work with you will make you aware of other programs. So a social worker in Nebraska may give you information on five or six programs and they might let you know at that time that you could qualify for one of these other programs.

ERDMAN: OK. OK, so when you had the hearing, was HHS in support of this?

BRANDT: No, they were not.

ERDMAN: Do you remember what their main opposition was?

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BRANDT: I think it was-- I believe it was just the amount of social workers that they felt this would take.

ERDMAN: I see. OK, well, you've answered my questions. I, I appreciate it. Thank you.

HILGERS: Thank you, Senator Brandt and Senator Erdman. Seeing no one else in the queue, Senator Brandt you're recognized to close. Senator Brandt waives closing. Question before the body is the advancement of LB306 to E&R Initial. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Please record, Mr. Clerk.

CLERK: 28 ayes, 5 nays on the advancement of the bill.

HILGERS: LB306 is advanced. Turning to 2021 senator priority bills, Select File. First bill, Mr. Clerk.

CLERK: Mr. President, LB644. Senator McKinney, I have Enrollment and Review amendments to LB644.

HILGERS: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that the E&R amendments to LB644 be adopted.

HILGERS: Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. E&R amendments are adopted.

CLERK: Mr. President, I have a series of amendments now. Senator Ben Hansen, I have AM1073. I have a note, Senator, you wish to withdraw AM1073 and offer AM1019 as a substitute. Is that correct, Senator?

B. HANSEN: Yes.

CLERK: OK.

HILGERS: Without objection, so ordered.

CLERK: Senator Hansen, AM1019.

B. HANSEN: OK, so--

HILGERS: Senator Hansen, you're recognized to open on AM1019.

B. HANSEN: Thank you, Mr. Speaker. AM1019 to LB644 is kind of the culmination of a lot of discussion, a lot of compromise, actually very good discussion between myself and the counties and the cities and the

schools and the community colleges listening to what we all discussed on General File and with the help of Senator DeBoer and the help of Senator Arch and some of their concerns they brought before leads us to AM1019. And just to preface, with AM1019, that does remove all of our opposition from General File and now the counties, the cities, the schools, and the community college are now coming out neutral. So I just want to kind of briefly touch on what AM19 [SIC--AM1019] does. The amendment provides that if a county, city, school district, or community college decides to increase its property tax request by more than the allowable growth percentage, those political subdivisions need to hold a joint public hearing. Allowable growth percentage is defined as a percentage equal to the sum of 2 percent plus the political subdivision's real growth percentage. This is a part that Senator DeBoer and Senator Arch both brought up during General File about their concerns about inflationary-- an inflationary component or if a county or city grow and they annex, the subdivision comes in. That's something we do not want to punish them for and so that has been included in AM1019 as well. Real growth percentage means the percentage obtained by dividing the political subdivision's real growth value by the political subdivision's total real property valuation from the prior year. Real growth value includes the increase in a political subdivision's real property valuation from the prior year to the current year due to-- and this is part of the real growth part-- improvements to real property because of new construction additions to existing buildings, any other improvements to real property which increase the value of such property annexation, a change in the use of real property, and the annual increase of valuation of any tax and increment financing project. The amendment also defines the terms of property tax request, redevelopment property valuation, and tax increment finding projects, so it's defining terms there. The amendment also clarified that only counties with a population of greater than 25,000 inhabitants are required to post notice of the joint public hearing on their website. This was to help accommodate some counties that had less than 25,000 population to having to post anything on their website because it might be a little bit burdensome for them. The amendment provides an outline on the process for the county to collect the information to be included on the postcard and mail the postcard seven calendar days before the joint public hearing. The cost and-- of creating and mailing the postcards, including staff time, materials, and postage, will be divided among the political subdivisions participating in the joint public hearing. That was included in the Revenue amendment prior that we already adopted. And so the counties also wanted some kind of timeline on when the assessors had to provide information. The Clerk

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had to provide information so we can have a nice, clean timeline of when we have to get these postcards out and this is something at their behest that they really wanted included. The timeline for the joint public hearing and the filing of the budget is also changed. The joint public hearing is required to be held on or after September 17 and prior to September 29. The date to file the budget has changed to September 30. That was to give them a little bit more time in this whole process. The deadline for the county board of the equalization to levy the necessary taxes has changed to on or before October 20. Clarifying changes suggested by the State Auditor's Office are also made regarding the levy request to the county board of equalization. The amendment clarifies that each political subdivision will designate one representative to attend the joint public hearing on behalf of the political subdivision. Also clarified is the joint public hearing will be held at 6 p.m. local time. Since we have two time zones and we said at-- on or after 6 p.m. for this hearing, we want to make sure that a little bit more specific and so we said local time. The amendment provides that any member of the public will be allowed to speak at the joint public hearing and will be given a reasonable amount of time to do so. This language is consistent with language regarding the public speaking at the hearing on the proposed budget statement. The amendment adds language that an inadvertent failure to comply with the Property Tax Request Act shall not invalidate the property tax request or constitute an unauthorized levy. Also, the failure of a taxpayer to receive a postcard shall not invalidate the property tax request or constitute an unauthorized levy. They were a little concerned that if somebody doesn't receive their postcard in time, that they, they can-- that can be misconstrued and they can actually take it back onto the county. Finally, lastly, the amendment requires the county clerk or his or her designee to prepare a report of the joint public hearing that includes the names of representatives from the political subdivisions and the names and addresses of each person who speak at the joint public hearing and the name of any organization they represent. The report needs to be delivered to the political subdivisions participating in a joint public hearing within ten days after the hearing. So that, in essence, is a lot of the amendments that we added to this, that we worked diligently with other senators and also with the county and the city and so I do want to thank Jon Cannon with the-- with NACO and everybody with the League of Municipalities, NASB, and also the community college-- [INAUDIBLE] at the community college. So I appreciate all input that they gave. This was a little bit of a kumbaya moment that we had, so it came together really well. With that, I will do my best to answer any questions. Thank you, Mr. Speaker.

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HILGERS: Thank you, Senator Hansen. Mr. Clerk for an amendment.

CLERK: Yes, sir. Mr. President, first of all, Senator Hilkemann, I understand you'd like to withdraw AM1056 and offer as a substitute AM1114.

HILKEMANN: That's correct.

HILGERS: Without objection, so ordered.

CLERK: Senator Hilkemann, AM1114.

HILGERS: Senator Hilkemann, you are recognized to open on AM1114.

HILKEMANN: Thank you, Mr. Speaker. Colleagues, AM1114 as a friendly amendment to LB644 that makes a good bill better by adding another mechanism for taxpayers to learn about the joint public hearings created by LB644. AM1114 inserts a requirement that notice of the hearing be published in a newspaper in or of general circulation in the county. It is my understanding that the press association and representatives of the political subdivisions have been talking since General File and are confident that there's enough time for this notice to get published and be-- and can be done so relatively inexpensively. In fact, it is likely that the newspaper notice will alert the taxpayers to the hearing before the postcard maybe even arrives on the door of some household. With this, I urge you to vote green on AM1114.

HILGERS: Thank you, Senator Hilkemann. Debate is open on AM1114. Senator Ben Hansen, you're recognized.

B. HANSEN: Yes, thank you. Yes, this is a friendly amendment, one that the press association worked out with the counties and the cities to put the public notices in the paper. And so, yeah, with that, I would encourage your green vote on AM1114.

HILGERS: Thank you, Senator Hansen. Seeing no one else in the queue, Senator Hilkemann, you are recognized to close. Senator Hilkemann waives closing. Question before the body is the adoption of AM1114. All those in favor vote aye; all those opposed vote nay. All those voted who wish to? Please record, Mr. Clerk.

CLERK: 41 ayes, 0 nays, Mr. President, on Senator Hilkemann's amendment.

HILGERS: AM1114 is adopted. Mr. Clerk for an amendment.

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CLERK: Mr. President, Senator John Cavanaugh has AM1115. Senator, I have a note you wish to withdraw AM1111 and offer as a substitute AM1115.

J. CAVANAUGH: Yes.

HILGERS: Without objection, so ordered. There's an objection. Senator Wayne, would you approach, please?

CLERK: Senator Cavanaugh, AM1111.

J. CAVANAUGH: I would move to withdraw AM1111.

CLERK: Mr. President, Senator Cavanaugh would move to amend with AM1115.

HILGERS: Senator Cavanaugh, you're recognized to open on AM1115.

J. CAVANAUGH: Thank you, Mr. Speaker. This is a technical amendment on the-- Senator Halloran's portion that we amended in on General File. I worked with Senator Halloran, Senator Groene, and Senator Ben Hansen on this. Basically, AM1115 changes some of the language in Senator Halloran's amendment as it pertains to when the 90 day begin to run on the interest. I talked with the counties. They were little-- they were concerned exactly about when that time would run, about when they would get the notice. So currently the bill states that the 9 percent interest will begin 30 days after the date of entry of the final appealable order. This just changes the entry of to the county assessor certifies that the amount of the refund is based upon a final appealable order. Senator Groene and Senator Halloran, I believe, have no objection to this and we worked together on this to make sure that this language didn't upset what they were trying to achieve here. And so I'd ask for your green vote on this amendment and I would also, instead of rising to support later, I do rise in support of AM1019 and LB644, but I'd ask for your green vote on AM1115. Thank you.

HILGERS: Thank you, Senator Cavanaugh. Debate is now open on AM1115. Seeing no one in the queue, Senator Cavanaugh, you're recognized to close. Senator Cavanaugh waives closing. Question before the body is the adoption of AM1115. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Please record, Mr. Clerk.

CLERK: 40 ayes, 0 nays on adoption of Senator Cavanaugh's amendment to Senator Hansen's amendment.

HILGERS: AM1115 is adopted. Returning to--

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CLERK: Excuse me, Mr.-- I have nothing further pending to Senator Hansen's AM1019.

HILGERS: Thank you, Mr. Clerk. Returning to debate on AM1019. Seeing no one in the queue, Senator Hansen, you're recognized to close. Senator Hansen waives closing. Question before the body is the adoption of AM1019. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Please record, Mr. Clerk.

CLERK: 36 ayes, 0 nays, Mr. President, on the adoption of Senator Hansen's amendment.

HILGERS: AM1019 is adopted.

CLERK: I have nothing further on the bill, Mr. President.

HILGERS: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that LB644 be advanced to E&R for engrossing.

HILGERS: Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. LB644 is advanced. Next bill.

CLERK: Mr. President, LB273. I have E&Rs first of all, Senator.

HILGERS: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that the E&R amendments to LB273 be adopted.

HILGERS: Colleagues, you've heard the motion. All those in favor say aye. Opposed say nay. The E&R amendments are adopted.

CLERK: Senator Lowe would move to amend, AM1003.

HILGERS: Senator Lowe, you're recognized to open on AM1003.

LOWE: Thank you, Mr. Speaker. AM1003 is a white-copy amendment that addresses concerns that were brought up on General File. Specifically, AM1003 works to address the concerns that were brought up by Senators Wayne and Vargas. Both Senators Wayne and Vargas asked several times what the definition of an emergency was. They wanted to ensure we were being specific with what we were doing with the transfer of a juvenile. AM1003 removes the phrase emergency placement and replaces it with immediate placement. This was done to make it a little more clear that the intent was simply to move the juvenile to another

facility that was better able to care for the youth. We also added the language that requires the department to set forth with reasonable particularity the grounds for an immediate change of placement in the motion to the court. Senator Wayne highlighted concerns about parental notification. AM1003 adds language that requires the department to make reasonable attempts to, to provide notice to the parent or guardian before change of placement hearing will occur within 24 hours. This effort of notice shall occur prior to the department filing the motion. Senator Vargas brought up several other points of concerns on General File. Senator Vargas wanted to ensure notice of hearing was sent to all parties of record. This was always my intent with LB273, so I was happy to make sure that it was spelled out in it. He also requested notice of any exhibits or the identity of any witness that would be brought during the hearing. My initial fear was that this could create a situation in which the immediate transfer would take longer than 24 hours. The immediate transfer time is important to ensure the juvenile in question starts receiving the best care possible as soon as possible. After multiple conversations with interested parties, I'm now confident that the process can be done in a way that ensures all interested parties receiving all the necessary information while also ensuring a quick transfer to another facility if a judge rules that way. AM1003 also requires the department to grant the juvenile time to meet with their attorney to go over the motion and review any exhibits or witnesses. Colleagues, AM1003 makes LB273 a better bill. I want to thank Senator Vargas and Senator Wayne for highlighting their concerns and their willingness to work with me to address them. And once again, I want to thank Senator Lathrop and his legal counsel, Josh Henningsen, for their work on this bill. With all that said, please vote yes on AM1003.

HILGERS: Thank you, Senator Lowe. Debate is now open on AM1003. Senator Vargas, you're recognized.

VARGAS: Thank you very much, President. Appreciate Senator Lowe. Only thing I want to add to here is just what the changes were, he already made them, the reason why they're important. And just as a reminder, is that the YRTC system, we need to continue to be vigilant about making sure that there is notice, the courts have say within this process, and that the judges also have say when there is a need to then have one of these placements. We want to make sure that information is being provided to all interested parties, which also includes parents and guardians and that, that notice is provided in a way that gets to those individuals as quickly as possible. I appreciate Senator Lathrop's office and Senator Lathrop and-- for working on this and I appreciate Senator Lowe for working with us on

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this. At the end of the day-- and this is for future senators-- we're going to continue to have to be vigilant about YRTC's, partly because of term limits, but also partly because hopefully we remember why we got here. We got here because there was not significant oversight over YRTC's. There were not procedures and policies in place to ensure this level of transparency and accountability and also just information sharing existed and I believe that this-- and then also that there's a balance of not power, but a balance of notification where the courts can have some jurisdiction and say with youth that have been, up until that time, in the court system. And just because this is separate in OJS doesn't mean that courts and all legal interested parties don't still have a say in what is in the best interests of a youth. Thank you, Senator Lowe, for making these amendment changes and again, Senator Lathrop's office. I appreciate it. Thank you. I ask you vote green on LB273.

HILGERS: Thank you, Senator Vargas. Senator Wayne, you're recognized.

WAYNE: Thank you, Mr. President, and thank you, Senator Lowe and legal counsel, Josh, and Senator Lathrop for working on this issue. I do appreciate you keeping your word and making sure that this gets done. Thank you.

HILGERS: Thank you, Senator Wayne. Seeing no one else in the queue, Senator Lowe, you're recognized to close. Senator Lowe waives closing. The question before the body is the adoption of AM1003. All those in favor vote aye; all those opposed vote nay. Have all those voted who wish to? Please record, Mr. Clerk.

CLERK: 37 ayes, 0 nays on the adoption of Senator Lowe's amendment.

HILGERS: AM1003 is adopted.

CLERK: Mr. President, I have nothing further on the bill.

HUGHES: Thank you, Mr. Clerk. Seeing no one else in the queue, Senator McKinney for a motion.

McKINNEY: Mr. President, I move that LB273 be advanced to E&R for engrossing.

HUGHES: Colleagues, you've all heard the motion. All those in favor say aye. All opposed say nay. LB273 advances. Next item, Mr. Clerk.

CLERK: Mr. President, LB307 on Select File. I have no Enrollment and Review. Senator Geist would move to amend, AM1108.

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HUGHES: Senator--

GEIST: Yes, thank you.

HUGHES: --Senator Geist, you're welcome to open on AM1108.

GEIST: I would and I'd like to thank Senator Pansing Brooks for working with me on this amendment. Countless hours have gone on between Senator Pansing Brooks and I to work with the county attorneys, with all the parties involved and we were able to come to an agreement that satisfied everyone's concerns. I'm sure that all of you along with us hear the heavenly chorus. Sorry, I couldn't resist. AM1108 will only allow the Supreme Court to provide a process for juveniles to consult with counsel before they decide to waive the right to counsel if the juvenile is charged with a felony. So please keep that in mind. This is for juveniles that are, that are charged with a felony and giving them the right to counsel before they would decide to waive the right-- to waive that right. So I would ask for your support for AM1108 and I'm happy to take any questions if anyone has those, but thank you, Mr. President.

HUGHES: Thank you, Senator Geist. Debate is now open on AM1108. Senator Pansing Brooks, you're recognized.

PANSING BROOKS: Thank you, Mr. President. Members of the body, first, I want to thank Senator Geist for her amazing willingness to help come to this agreement. You know, this has been an ongoing effort for my whole time in the Legislature. And as you may remember this, this summer-- I had always had some issues with the judges prior to this on my right to counsel and some of the judges had concerns with the way it was written before, so this year and in September, I worked with Senator Groene's judge, who was the most vociferous, and Senator-- Judge Gendler, who is a Sarpy County juvenile judge. And we had had a big, we had had a big Zoom call with a, a bunch of judges from the western part of the state and at the end of that Zoom call, I asked if, if Senator-- or if Judge Turnbull and Judge Gendler would be willing to work with me and they not only worked with me, they wrote the bill. So I feel really happy about that movement. Then the issue was, after I, after I worked on it, we still had the county attorneys concerned about some things and that's where Senator Geist comes in because I, I had numerous meetings with the county attorneys. They were concerned about a lot of different factors and Senator Geist came in and said-- and that's why it got through to Select-- was Senator Geist said would you be willing to work with me so that we for sure have-- can get the county attorneys on? And I said I'd be happy to. So

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again, perfection is the enemy of good and we have a bill here now. My original bill said that kids get attorneys if they are going to be detained out of home, taken out of home, or, or put into detention. I hope you all remember that. So that went farther than what Senator Geist's amendment is now, which she got from the county attorneys. I agreed to support and in that one, what, what happens now is if a child is charged with a felony, they get the-- they get a lawyer to represent them. That doesn't mean they can't waive that lawyer, but they have to be able to talk to a lawyer about this felony and then be able to go-- talk to the lawyer about the felony and decide then whether to waive or not. So I'm, I'm really grateful because we have-- this, this is evidence of what can happen in this body. I can-- I've, I've fought this for years and Senator Groene and I have, have, have battled. I appreciate him because we have, we have calmed down our rhetoric. We're able to see that we're really close, but he's got an amendment that has not been approved by both the county attorneys and the judges. So to come back and now all of a sudden say, oh, we're going to change it now, it's-- I'm not ready to do that. And so I hope that you'll vote for AM1108, Senator Geist's bill [SIC]. Also, there's going to be a, a friendly amendment by Senator Lathrop on a motion to transfer, basically saying that we can't spend more than 30 days waiting for a kid to be transferred to adult court. So he will explain that in a little bit. Again, that had no opposition. It, it's a very friendly amendment and does deal with juvenile justice. So again, I want to thank Senator Geist for her wisdom, for her patience, for her commitment to children in Nebraska and for joining me in, in finding a pathway forward on this. I also--

HUGHES: One minute.

PANSING BROOKS: --want to thank Senator, Senator Groene and his judge, Judge Turnbull, and Judge Gendler. They helped me to address the issue in a way that works for both rural and urban parts of the state. And LB307 and AM1108 is really a strong step towards closing the gaps that exist in statute to ensure that all kids who go to court and are charged with a felony type of crime have-- they are given counsel and allowed to waive that counsel, but they do so knowingly, intelligently, and voluntarily. So I ask you to please vote green on LB1108-- or AM1108 and LB307 and I'll have more to say about this later. Thank you.

HUGHES: Thank you, Senator Pansing Brooks. Senator Vargas, you're recognized.

VARGAS: You know, actually, I'll yield my time to Senator Pansing Brooks if she wants it.

HUGHES: Senator Pansing Brooks, 4:50.

PANSING BROOKS: Thank you very much, Senator Vargas. So I, I just-- I think that I've said mostly what I want. You'll see that Senator Groene has, has a bill and-- or an, an amendment and I would ask you to look at the difference between the amendments-- what? OK. I can't pass it to you-- so I think I have a question for Senator Geist.

HUGHES: Senator Geist, will you yield?

GEIST: I will yield.

PANSING BROOKS: So Senator Geist, did you have something to say about the amendment?

GEIST: I did. I did have one other thing to add about the amendment that I think those in rural areas need to hear. And that is because of, of COVID and what we've learned, if you're in a rural county and a juvenile needs to consult with an attorney, that does not necessarily mean that has to be face to face. That can-- that advice can be done on a phone call, it can be done on a Zoom call. So those that are thinking, oh, this is going to be an unfunded mandate or something we can't manage as a small county, that is OK. That kind of consultation is OK. So I just wanted to throw that out to my rural friends that, that this kind of consultation is not necessarily cost prohibitive. I think that strengthens what we're trying to do here. Thank you, Mr. President.

PANSING BROOKS: And thank you for that explanation, Senator Geist. And what I would like to say is that if any of you is charged with a felony, I'm just telling you right now, do not go into a courtroom without a lawyer. And let me tell you that if a child goes into a courtroom without a lawyer charged with a felony, that is not justice. That is a lack of justice. It is something that-- you know, of course, I want them to have attorneys all the time because I, I do know of instances that Nebraska kids were charged with a misdemeanor and then they ran away from home, then they skipped school, and so by the time they got back to the court for sentencing, the court said you're going to be placed out of home because you're totally out of control. Well, they are, but meanwhile, they've never had an attorney say to them, listen, you have to tow the line. You need to make sure that, that you are acting appropriately so that you can get some sort of, of

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community-based aid. Do not act up in these next two weeks prior to sentencing or you, you'll have the book thrown at you. So again, can-- I just-- I cannot imagine, even as a lawyer, maneuvering the criminal justice system myself or as a child. So thank you for listening. I appreciate the efforts of so many people. Senator Groene and I are close, but again, it's, it's not quite there because he just wants to make sure they're-- the kids are informed of their right to counsel. I, I know that they can waive counsel any time, but if, if, if somebody says to them-- a judge or a county attorney says, well, you don't want to-- you have a right to counsel, but you don't really want it, do you? What's-- or it's going to be expensive for your parents, what's the kid going to say? They need to talk to somebody to represent them and walk them through the process or tell them that they don't have to walk through the process. Thank you so much, Mr. President.

HUGHES: Thank you, Senators Vargas, Pansing Brooks, and Geist. Senator Groene, you're recognized.

GROENE: I want to make sure everybody understands I don't consider this as Senator Pansing Brooks's bill, a Senator Geist amendment, a Senator Groene amendment, amendment, or Senator Lathrop amendment, who has one. I consider this the rights of juveniles to waive counsel. Parental rights. My-- Judge Turnbull, who's a friend of mine, did talk to Senator Pansing Brooks. This bill now looks like nothing that he agreed-- that he told them to do, nothing, very, very few things in it. I also handed out a long dissertation by another judge in rural Nebraska that starts the controlling case law given below explains why this bill is in-- unconstitutional. We have a long body of evidence that says you have a right to waive counsel. In the Supreme Court, we had the Faretta case where an individual said he wanted to waive counsel and the court said we can't stop you. You have a right to counsel. You can be your counsel. You can be the one you-- represents you yourself. In 1967, the U.S. Supreme Court took on a juvenile case, same resolve. The juvenile and the Supreme Court weighed heavily on the parents' participation in the, in the decision to waive counsel. Again, they ruled that the constitution said you have the right to waive counsel. The Dalton case in Nebraska in the '60s, same thing. You have the right to waive counsel. I want to protect that right. If, if 100 kids, 99 act like sheep and follow through the chute and they get appointed to counsel and do it and one stands up and his parents stand up and says, no, I do not want counsel, I do not want to consult with counsel, I want to represent myself, they have that constitutional right. The amendment says, the amendment says-- from Senator Geist, which I'm not arguing with Senator Geist-- it says

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"counsel shall be appointed for such juvenile," doesn't say you can waive it. They shall take counsel. It's strictly against the constitution. If it said consult with counsel, you might be able to say-- get away with that, but there's no right there to waive it. My county attorney doesn't like this bill. They work with parents all the time. Children are not being harmed out there. They take care of our kids. Examples of, of felonies that are minor: a kid is at a party. Good, clean kid, he's-- happens to go to a party. There's, there's the-- amphetamines there, gets raided. He's got a felony in possession. Didn't do anything wrong. Kid has a six-pack of beer and decides to outrun the cops. He gets stopped later. That's fleeing arrest. That's a felony. Kid decides to be at a party and run and he gets caught, resisting arrest, felony. Those are the kind of cases my county attorney works with the parents and says we can just take diversion. We'll get you through this. Learn your lesson. We're-- you're going, you're going to be working with people who are going to mentor you. It doesn't have to go through the court case. You don't have to hire a lawyer. Right now, if a-- if the judge decides the case is severe enough, they can appoint counsel. The Supreme Court said is, is the burden of the court to decide if the parents are not fit to make that decision. We've thrown that out the window.

HUGHES: One minute.

GROENE: We've thrown the parents out of this. I am here to defend that one child, that one kid's right to say I do not want counsel. I've worked it out. I understand the-- what I'm, what I'm going to go through. I'm fine with consultation with their parents. We have taken parental rights out. The basic base that government is on is the family unit. We are taking it out in the, in the laws we are passing. All I'm asking is accept my amendment, accept Geist's amendment, and I will live with it and I think most rural senators will, but we want to reaffirm that you have a right to waive counsel. It's in, it's in the constitution. Thank you.

HUGHES: Thank you, Senator Groene. Senator Pansing Brooks, you're recognized.

PANSING BROOKS: There are some negotiations going on. I am going to waive right now. Thank you.

HUGHES: Thank you, Senator Pansing Brooks. Senator Albrecht, you're recognized.

ALBRECHT: Thank you, Speaker Hughes-- President Hughes. LB307 was a bill that I said yes to on the first round and I really felt like Senator Pansing Brooks had worked through a lot of things. I was waiting to hear from my district and unfortunately, I heard after the fact. But Senator Pansing Brooks, I hope you're listening because I would like for you to respond to what I'm going to read to you that I finally did get a response back from my district. OK, it says: According to the Judiciary Committee summary, the purpose of LB307 is in part to establish a juvenile has a right to legal counsel in a juvenile court proceeding. This statement omits crucial details while apparently relying on the Nebraska state statute 43-3102. LB307 is an unconstitutional attempt to put a lawyer between fit parents-- parent or parents-- and their child without any rational consideration of the circumstance in each case. LB307 is not necessary. It will also add expense to each counties or another unfunded mandate, but more importantly, LB307 ignores current law and is in-- is government overreach, an unconstitutional attack, an intrusion into the protected infrastructure of the family unit. The, the parent-child right is a fundamental liberty interest right that the state cannot invade without, in each case, holding a required due process hearing to determine parental unfitness to care, control, manage in the custody of a child. He's urging me to oppose this overreaching government intrusion of the family unit. Would you like to help respond so that maybe you can convince me otherwise?

HUGHES: Senator Pansing Brooks, will you yield?

PANSING BROOKS: I'll be happy to yield. Thank you. Thank you for that question, Senator Albrecht. I have seen that letter and I have run it by my judges. There's great discussion about whether or not that is correct law, but what I will tell you is that they-- that there is work on an amendment to find-- to make it clear. I thought mine made it clear that, that kids can waive counsel. It is not the parent's right. The Supreme Court has said it is not the parent's right in Nebraska or anywhere in the nation to waive counsel because what if the child, what if the child's parents are on drugs? What if they're incompetent and, and were abusive to the child? Do you want them to decide whether or not-- what should happen to that child? Because part of it may be because of the abusive home, home scene.

ALBRECHT: OK. I appreciate that and I hope you are working on other amendments because I do hold firm to my-- the opinion of the judges in my district because that is who I represent and the people of my district. But, you know, there are circumstances like you're talking about, but let's talk about the other set of circumstances where it

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could be a first time that-- and it is a felony, but I can't imagine the parents not having the ability to, to, to defend their child and let them know that, yes, we will get you an attorney, we will take care of this, you know? So that's where I'm starting to waver much stronger than I was in the beginning, so thank you.

HUGHES: Thank you, Senator Albrecht and Pansing Brooks. Senator Geist, you're recognized.

GEIST: Oh, good. Thank you, Mr. President. I just wanted to respond to Senator Albrecht's concern and that is that her, her judge was looking at the original bill and not looking at the agreed upon amendment. What we've done in the amendment is harmonize what happens in counties that are above 150,000 and counties that are below 150,000 and all of those juveniles are treated the same, which means that all juveniles then who commit a felony would be given an attorney and that satisfies that unconstitutional notion that was being questioned originally. So I think, Senator Albrecht, if offered the amended language, that your judge is going to be more OK with the bill. And again, I, I was talking to my rural friends earlier about a Zoom call or a phone call that they could offer to a juvenile. I know the unfunded mandate language or concern is out there and one of my telecom friends has informed me that all courthouses have broadband, so if you have a juvenile that's at a courthouse, they would be able to Zoom with an attorney. So just hoping to dispel some of the, the objections that are coming up because this is a good bill. It's a good amendment and, and we have worked really hard together. Senator Pansing Brooks, I, I just have to give her kudos for the amount of time, the, the amount of compromise she has been willing to take because it, it can't be understated. It's been significant and I appreciate that and, and we've really come to a point that I think is agreeable and workable for all parties involved. So with that, thank you, Mr. President.

HUGHES: Thank you, Senator Geist. Senator Matt Hansen, you're recognized.

M. HANSEN: Thank you, Mr. President, and good evening, colleagues. Let me just echo that-- Senator Geist's point of view and perspective that I think some of the critiques of the bill are being based on older language or older proposals that don't necessarily get to the core of where we're at today with LB307 on Select File, including that I do believe-- well, yeah, including that I do believe there's maybe some clarification happening under a balcony and hopefully we get there and it can get resolved tonight. I do want to say-- I do want to appreciate Senator Pansing Brooks's efforts on LB307 and the prior

versions. She has been a champion of this issue and been working incredibly hard over multiple years and multiple sessions to get this done. And as you could see, based on the comments in General File and based on the initial comments tonight, you know, she's worked with an incredible range of different senators and stakeholders to get to where we are and where that is is, I think, is ultimately a bill that is deserving of passing and should pass and hopefully gets to Final Reading tonight. I do want to say, talking about-- I think sometimes the framing about the, the family unit, I too take that very seriously and I do think that's something that factors into LB307. One thing to keep in mind, though, is especially when we're talking about children charged with felonies, is a child who's being charged with a felony is at high risk of being taken away from their parents. Whether or not that's in-- they're being charged with a felony, I'm presuming it's adult court, court. And felonies, not all of them have jail time. Some are presumption of probation, but certainly a number of them have, you know, state prison time and that's the stakes we're talking about. So I understand the concern about the protection of the family unit and the right of the family unit to decide, but you have to understand that the state is attempting to most likely take that child out of home in some fashion and is going to be, frankly, harming the parental relationship or weakening it or however you want to frame it, distancing it at minimum than it is. You know, throughout the whole process, we talk about the rights of the parents. You know, one thing that I've been working on and I think it surprises a lot of people is, you know, you don't necessarily-- a parent doesn't have a right to sit in on a police interrogation. A parent doesn't have a right to intervene in a lot of places in the process. Yes, they have the opportunity to speak to their child and can offer, you know, advice and, and, and wisdom, but they don't necessarily have legal standing in many instances to make a motion to, you know, go into an interrogation room to, you know, discuss trial strategy, you know, beforehand, depending on the situation of which jail or which detention center or so on and so forth the child is at. This is already a system that is stacked pretty hard against parents and in my mind ensuring that every parent and every family, regardless of their legal knowledge and legal, legal knowledge and understanding, makes it clear that they can have an opportunity to consult with somebody who's objective and advise them all collectively of the rights, child and parent, to figure out where to go next is incredibly important. Because this is not an easy system to navigate as a child, it's not an easy system to navigate as a parent, and I understand that the parents are intending to do what's best for the child. I think everybody wants to do what's best for the child, but we put them in many untenable,

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unwinnable situations in which, you know, the child is, for lack of a better word, detained, locked up somewhere, you know, behind bars, and the parent can't necessarily talk to them. The parent can't necessarily get in there and talk to them the same way the child would have a right to discuss with an attorney. So there's not necessarily always that easy, fair ability for a parent to, again, intervene and get into--

HUGHES: One minute.

M. HANSEN: --a case and so on and so forth. That is one of the reasons that I think that we need to beef up and clarify these protections. So I meandered a little bit farther from the points I wanted, wanted to say, but I just want to say I personally view LB307 as supporting family units and-- as well as supporting children because we're oftentimes asking parents to kind of confront what is ultimately a, if not hostile, you know, difficult or frustrating system. And depending on the level of, you know, ability or skill or knowledge they might have, they might not feel themselves to be in a good spot. So if they have an impartial person they can consult with, that's an improvement. Thank you, Mr. President.

HUGHES: Thank you, Senator Hansen. Senator Lathrop, you're recognized.

LATHROP: Thank you, Mr. President. Colleagues, I was just standing here thinking it's pretty cool in this place at night. I'm sure we'd all like to be somewhere else, but for people watching on TV, it's hard to fully appreciate just how beautiful this Chamber is at night with the lights on and the room dark, sometimes crazy stuff can happen at night in my experience. Eleven years, I've seen really weird deals put together. That's not what's happening right now, though. I think what we're doing or what we're seeing happen is sort of the best of the legislative process, the sausage-making, an agreement between Senator Groene, who has concerns, and Senator Pansing Brooks and Senator Geist and I appreciate the fact that that's going on. I do want to address the Geist amendment. Colleagues, what we have done in this amendment or what Senator Geist and Pansing Brooks have done in this amendment is narrow the scope of Senator Pansing Brooks's bill. It would be narrowed to those circumstances where a juvenile is charged with a felony. So why is that important and why is that the, why is that the sort of the measure for when we begin this process or involve the process of your right to counsel? Even though these are juvenile court proceedings, a felony is something by definition which carries more than a year in prison and it oftentimes is the difference between a question on a, on an employment questionnaire or not. Have

you ever been charged with or convicted of, of a felony? That involves the significant potential of a loss of liberty. I also believe that, that, that the things that juveniles get into, particularly when they're charged with a serious crime, can affect things like their ability to get into a college, their ability to get into, for example, the armed forces. That's not a small matter. And so even though we think of juvenile court as a place where kids get a break because they're underage, that can still have significant impacts on their adult life and on their future and their ability to secure employment, get into the military, and things that are important. And that can follow them for a long time. And as a consequence, I think it's a fair place to, to have the standard kick in for being advised of the right to counsel and going through that process. Hopefully we'll see an amendment here pretty soon that will satisfy the concerns of Senator Groene and reflect the compromise that Senator Pansing Brooks and Senator Geist worked out involving the county attorneys and other interested parties. So I'll look forward to that amendment. It looks like it's being handwritten as I speak and as we wait and apparently I need to take up a little bit of time for that to happen, so I will. Beautiful Chamber. I-- you know, somebody else, I suppose, can turn their light on and take up a little bit of time because I think I've said what I needed to say, so thank you, Mr. President.

HUGHES: Thank you, Senator Lathrop. Senator Groene, you're recognized.

GROENE: Thank you. Yes, we've been working with Senator John Cavanaugh, who I've gotten a good working relationship with since he's came to the Chamber-- I trust him-- and Senator Hilgers and Senator Hilgers will drop the amendment. I just want to make it very, very clear to the Supreme Court and everybody in Nebraska, you have the right to waive counsel, constitutional right. It's not a gift or you can, it's a right. It happens all the time in rural Nebraska. And one thing Senator Pansing Brooks has forgone, what they do in Lancaster-- Douglas and Lancaster County, some poor kid gets a minor in possession, vagrancy, minor shoplifting, misdemeanors. Those poor parents and kids have to have an attorney assigned. At least in rural Nebraska, we will be spared that cost for the small, rural counties-- because that's what they run into, those kind of misdemeanors-- of providing attorneys when it can be worked out with the county attorney and diversion. Senator Lathrop, can I ask you a question for clarity?

HUGHES: Senator Lathrop, will you yield?

LATHROP: Yes, I'd be happy to.

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GROENE: All right, so when this amendment is adopted: When any juvenile court petition is filed alleging jurisdiction of a juvenile pursuant to subsection (2) of section 43-247. My first question is that's a felony, correct? Section (2) of section 43-247.

LATHROP: Yes.

GROENE: All right.

LATHROP: My, my legal counsel is shaking his head in the affirmative.

GROENE: Counsel shall be appointed for such juvenile. Can after the first meeting, the juvenile and the parents say we decided to waive counsel? But the way this is written, do they have to keep counsel or can they waive counsel yet?

LATHROP: No, they have a right to waive counsel. People do it in felony cases as well--

GROENE: They do.

LATHROP: --like adult court, sure.

GROENE: So-- all right. I just wanted to make sure that they did not have to-- when they're-- after the first hearing, they had counsel, they, they waive-- they tell the attorney I don't want you, I'm waiving counsel, that when the trial or, or whatever, they can go to the county attorney and say what can we do? Like, let's settle this. They can do it on their own.

LATHROP: If they have-- so the county attorney cannot talk to someone who is represented. If they waive the right to counsel, then the county attorney is free to talk to them--

GROENE: All right.

LATHROP: --as they often do.

GROENE: So they still have that right?

LATHROP: Yes, sir.

GROENE: All right.

LATHROP: The only time, Senator Groene, I've seen a court say you tried to waive your right to counsel, but I'm still going to have the

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public defenders sit with you is going to be in, like, a murder case or something to avoid appealable issues.

GROENE: All right. Well, thank you. I just wanted to make sure that was clear and on the record. And if you looked at the other handout I gave, our state constitution is a little different than the federal constitution. If I can find that handout here, it says-- just hold on. Can you give me my handout? Anyway, it says you have the right to represent yourself or have counsel in, in a criminal court. It actually says you have the right to waive counsel, to represent yourself is what it says. You have the right to represent yourself in person or have counsel. The U.S. Supreme Court says you have the right to counsel. We are even stronger in our state constitution--

HUGHES: One minute.

GROENE: --of our right and a teenager or an adult's right to represent themselves in court. You've all seen the handout-- I finally found it. In all criminal prosecutions, the accused shall have the right to appear and defend in person or by counsel. And that doesn't-- and I understand that juvenile court is not a criminal court, but all representation, all rights refer to this. You have the right to appear and defend in person or by counsel. So when we start passing laws that says you shall have counsel, it's against our state constitution. But Senator Lathrop, thank you for clearing it up. It's a bugaboo here that they have counsel and then they can waive it and keep their constitutional right is what you confirmed and I do appreciate that. I hope somebody else is-- we're waiting for Senator Hilgers and Senator Cavanaugh to come with that amendment that protects--

HUGHES: Time.

GROENE: --the person's right--

HUGHES: Time, Senator.

GROENE: --to defend themselves.

HUGHES: Thank you, Senators Groene and Lathrop. Senator Matt Hansen, you're recognized.

M. HANSEN: Thank you, Mr. President, and to give everybody context for where I believe we're at, I think we're at the point where a couple of us are going to talk while a handwritten amendment is typed up and made available to the body. I do want to appreciate all of the people kind of involved in this process so far. I know I thanked Senator

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Pansing Brooks on the first round for being kind of a tireless advocate on this. By all means, would like to thank Senator Pansing Brooks's staff, thank Chris Triebisch and Billy, who have been a wonderful set of people in the building. And I don't necessarily think we get an opportunity to thank and recognize our staff. And while I'm thanking staff, I would like to, I-- you know, sent an announcement out to the body, but I had an opportunity where Courtney Lyons, who had been in my office for a number of years, got a wonderful opportunity and got to promote Sarah Wagelie and hire Maggie English. And so I, like many others, have been blessed with wonderful staff and really give credit to the staff for supporting the Legislature. I know we do our traditional last day kind of recognitions, but it never hurts to do it in between. As we've talked about, this bill I think is going to get to the point where-- and I should say at the, at the outset as well, I believe I might have misspoken a little bit on my last time on the mike referencing court versus juvenile court. But I think we've since clarified what the context of this bill and this amendment is coming up through the other, through the other speakers. I do have to appreciate that this is-- you know, even though juvenile court is something less than adult court in many instances, it's not without some kind of severe outcomes or some challenges or some struggles. And that is partially the reason so many of us are looking to have, you know, a fair process and equitable process and informed process and that is why I really appreciate Senator Pansing Brooks and all of her efforts on LB307. And with that, thank you, Mr. President.

HUGHES: Thank you, Senator Hansen. Senator Morfeld, you're recognized.

MORFELD: Thank you, Mr. President. It sounds like the amendment is done. I just want to thank Senator Groene, Senator Hilgers, Senator John Cavanaugh, and a bunch of other folks. I'm probably missing-- oh, and Senator Machaela Cavanaugh, whose handwriting we can actually understand, unlike Senator John Cavanaugh. But Senator John Cavanaugh was essential in obviously helping craft the amendment along with Senator Groene. I think it's a good example of, quite frankly, how we can come together, make sure that we're not talking past each other, but rather with us. And I want to concur with Senator Lathrop that the building is, in fact, beautiful in the evening. And with that, Mr. President, I yield the rest of my time back to the Chair. Thank you.

HUGHES: Thank you, Senator Morfeld. Mr. Clerk.

CLERK: Mr. President, Senator Hilgers would move to amend the Geist amendment.

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HUGHES: Speaker Hilgers, you're recognized to open on FA39.

HILGERS: Thank you. Thank you, Mr. President. Good evening, colleagues. I present to you FA39, which is the product of a number of conversations between me, Senator John Cavanaugh, Senator Groene, and others and so I, I-- I'm going to yield my time here in a minute to Senator Cavanaugh who can walk through a few of those changes where you can all, I hope, now pull it up on your individual computer, so-- but I just want to sort of take a step back and, and kind of frame what we're doing here. So this is a debate that has, I think, taken place almost every year that I've been in the Legislature. On the one hand, Senator Pansing Brooks has been fighting this particular issue for a number of years. On the other hand, Senator Groene and others have been opposing this particular issue for a number of years. And over the last several weeks, I know, as we've worked towards potentially scheduling this on Select File, Senator Geist, a number of other stakeholders outside of the glass have worked with-- including Senator Groene and Senator Pansing Brooks to try to move the bill towards something that they could find acceptable, to try to accomplish the goals that Senator Pansing Brooks had-- has sought out to accomplish. There are-- despite that work, there's still some remaining work to be done and Senator Groene had an amendment that I-- actually, I'm not sure if it was filed or not, but, but we've looked at and over the last 30 or 45 minutes, we've taken his amendment, which is an amendment to AM1108, and combined it-- and, and-- I'm sorry, compared it and the goals that Senator Groene was trying to accomplish, if not all of the precise words, and, and incorporated that into the same section that is in AM1108. And so what Senator Cavanaugh, I hope, will-- in a minute will explain is a product of those conversations. And so I just want to thank Senator Pansing Brooks, Senator Groene, in particular, Senator John Cavanaugh for the work over the last hour, but all the other people over the last several years who have worked on this particular discussion, Senator Geist as well and all the others who have worked on this particular effort. Compromise is not-- often doesn't leave us with everything that we want and I think this might be the case here, but I think it's a, it's a good result and I appreciate those who have come to the table to try to work this out. So you can look at the language. We may need to have sort of an on-the-fly E&R amendment or something we need to fix on Final Reading for this particular language, given the way that it came about, but nevertheless, I think it's a good, it's a good compromise, a good amendment, and I would urge you to support and vote green on FA39. With that, I would yield the remainder of my time to Senator John Cavanaugh.

HUGHES: Senator John Cavanaugh, 7:40.

J. CAVANAUGH: Thank you, Mr. President. Thank you, Speaker Hilgers, and I would reiterate every-- thank you to everybody for their work on this, Senator Pansing Brooks for bringing this bill originally, which I think is an important bill and I would urge a vote on 3-- LB307 and Senator Geist for bringing the initial AM1108 to fix the one issue and then Senator Groene for working with myself and Speaker Hilgers and Senator Pansing Brooks and Senator Geist on this. So basically the idea of this amendment is it preserves the, the spirit of Senator Geist's amendment to Senator Pansing Brooks's bill, which preserves the spirit and intent of Senator Pansing Brooks's bill, and it, I think, accomplishes Senator Groene's intent of that waiver ability of the right. And so my understanding in our conversations together and working through this is that Senator Groene wanted to make sure that individuals were actually able to waive their right, which he is correct that you could represent yourself. You're entitled to do that. And so what this amendment does is strikes-- on page 4, strikes a word from-- well, where it says a process to ensure-- well, I'll just read the whole part-- that the Supreme Court shall provide, by rule, a process to ensure that juveniles are provided the right-- or opportunity to consult counsel. So we struck that to allow for the contemplation that someone could consult with counsel, as Senator Groene I think spoke to a minute ago, prior to and decides that they don't want to have a lawyer, they don't need a lawyer, and so they have exercised that right outside of the court system. And so this allows for people to-- who have done that before and so we've released-- replaced that language with where it says a juvenile has consulted with counsel and if not, then they are provided the opportunity to consult with counsel. So it still preserves that guarantee that the rights to under-- basically the advisory of counsel is someone who can guarantee that the individual, this juvenile in this case, understands their rights and what right they are waiving by, by waiving-- by not accepting counsel. And so this preserves that intent to make sure that when people do waive it, it is a knowing, understanding waiver and it is then a-- fully effectuated because they know what they're doing and it, and it allows for them to do it through their private means if they choose to do that beforehand or at some other time before they waive it. And then if not, they're still guaranteed to make sure that they have that effective advisement. So it integrates, I think, what Senator Groene wants to accomplish, integrates with what Senator Geist and Senator Pansing Brooks are wanting to accomplish. And the, the further part of this amendment is it clarifies that the person has the right to waive, so making sure

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that this is clear that you have a right to waive and not that you are-- that you can't do that, which is clarifying what Senator Groene wants to make sure, so that, that-- subsequent down on line 4-- 3, 4, struck the juvenile making-- let's see-- is making the decision to waive and it inserts that the juvenile is exercising their right to waive the right to counsel. So it just clarifies that point. It ensures that someone could exercise this right without a court-appointed lawyer or without the court involved. They can actually exercise it. They can consult with the lawyer and counsel and waive this right without the court's involvement as long as they do it prior to that. So this is a compromise, meets, I think, halfway about-- I would say it's about halfway, maybe it's a 60/40, but it's pretty close. But I think this is a very good result and I think it, it preserves the intent of this bill. I think it preserves the rights of individuals and their families to approach their legal concerns in the way that works best for them and so I would urge your vote on FA39, AM1108, and LB307. And with that, I will yield the remainder of my time and I would happy-- happily answer any questions if I can. Thank you.

HUGHES: Thank you, Senator Cavanaugh and Senator Hilgers. Senator Pansing Brooks, you're recognized.

PANSING BROOKS: Thank you, Mr. President. I just wanted to stand up. There are a lot of people to thank for this going forward. I want to thank Senator Groene, of course, for working through and finding some common ground. I know he's felt very strongly and he has, he has a reason to care about what's happening in the rural areas and I'm-- I understand that and I appreciate his working with the people that helped bring this, this agreement. I want to thank Senator Geist who has been amazing bringing in the county attorneys, helping us find, again, common ground. The enemy of good is perfection. We will continue saying that. Also thanks to Senator John Cavanaugh for his work on creating some of the language and Senator Machaela, Machaela Cavanaugh for her work on that. Speaker Hilgers was, was integral to also working on all of this and I want to thank him. Senators Morfeld, Senator Lathrop, Judges Turnbull and Gendler, and the county attorneys and I also want to thank Josh Henningsen and Chris Tribsch for their amazing work over here as well. Josh Henningsen is lawyer for the Judiciary Committee and Chris Tribsch, my chief of staff, so-- and mostly I want to thank the body for sticking around through this effort. And I know it's late, but I'll tell you the kids of Nebraska don't even know that they're grateful to you. But isn't it a blessing to be able to do something for somebody that never even knows that, that you've done something for them? But you have changed people's

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lives through this effort today, so I thank you for it and I know that if the kids had any idea what we were doing here tonight, they would thank you too. Thank you, Mr. President.

HUGHES: Thank you, Senator Pansing Brooks. Senator Groene, you're recognized.

GROENE: I would like to make it clear that this is just not Senator Groene. There are at least 16 or 17 rural senators had real concerns about this issue because they had heard from their judges, they had heard from their county attorneys, had heard from parents. There was a little animosity that urban senators were pushing this on and making judgments about what was happening in our courtrooms and no bad things were happening there. We're all-- know each other. We know the county attorney. We elect them. We know the judges. We know who they are. They are part of the community and never did they harm children. What was a concern was the cost, the cost to the counties, the cost to the parents of having an attorney, but as I said earlier, that big number was-- what we fought about in the past was the, the misdemeanors. That is not in this bill. They can waive counsel and do it-- just take diversion. I have other issues because of the research that I want to work with, maybe with Senator Pansing Brooks. My county attorney mentioned to me that in diversion, they used to be able to have kids be drug tested and have a tracer on them to make sure they were in school. The Crime Commission told them they could not do that anymore. I don't know why. I'd like to find out why. But if they went through the court system and put on parole, they could be put-- have tracers put on them or bracelets as what they commonly call them and drug tested. We need to fix that, but that's another matter and another day. If this amendment by Senator Hilgers is adopted and Senator Geist's amendment is adopted, I'm fine for this year. Now Senator Clements or somebody else might stand up and take it from there, but it's just not Senator Groene. This is a rural issue. This was a rural issue and we were being dictated to by, by urban that have no understanding what it's like. I've been told I don't understand what the court case is. They have no idea what the difference is between a Douglas County court and a Lincoln County court, huge differences. So anyway, my fellow rural senators are OK with that. We'll go forward. Thank you.

HUGHES: Thank you, Senator Groene. Seeing no one else in the queue, Speaker Hilgers, you're welcome to close on FA9-- Speaker-- FA39. Speaker Hilgers waives closing. Colleagues, the question before us is the adoption of FA39. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk.

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CLERK: 40 ayes, 1 nay on the amendment, Mr. President.

HUGHES: The amendment is adopted. Colleagues, we're back to the Geist amendment, AM1108 as amended. Seeing no one else in the queue, Senator Geist, you're welcome to close on AM1108. Geist waives closing. Colleagues, the question before us is the adoption of AM1108 as amended. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk.

CLERK: 40 ayes, 1 nay on the adoption of Senator Geist's amendment.

HUGHES: Mr. Clerk.

CLERK: Mr. President, the next amendment I have, Senator Groene, AM1161.

HUGHES: Senator Groene, you're welcome to open.

GROENE: I'm sorry, I forgot to say that when I was on the mike before. I'd like to withdraw AM1161.

HUGHES: Without objection, it is withdrawn.

CLERK: Senator Lathrop would move to amend with AM1081.

HUGHES: Senator Lathrop, you're welcome to open on AM1081.

LATHROP: Thank you, Mr. President. Colleagues, good evening once again. AM1081 is LB354 for those of you that want to look at the committee statement. This is a very, very simple bill. Actually, it was put out of the Judiciary Committee. I thought it would end up on consent calendar. It is not on the list, but it is consent calendar type material. Here's what it does. When there is a motion to transfer to juvenile court-- so juvenile is charged with a felony, they take them into district court, the defense counsel or the defendant files a motion to transfer that motion, a transfer gets heard. This would simply say a judge needs to decide that motion within 30 days. Why is that an issue and who cares about this? When you are a juvenile and you end up in juvenile court, there is a window of time that they have for the rehabilitation of that juvenile and time's ticking. So both prosecutors and defense lawyers came in in support of this bill, which is now AM1081, because each of them recognize that it is in the best interest of the juvenile to have that decision made in a timely manner, get the decision made, get the juvenile-- pardon me-- onto juvenile court and begin the rehabilitation process. It affords more time to provide for rehabilitation. This is very straightforward,

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supported by both prosecutors and defense counsel, as the LB354 committee statement would reflect. If you have questions, I'd be happy to answer them. There's nothing sneaky about this. In fact, I consider it a friendly amendment and in fact, I consider it a cleanup amendment. And with that, I would encourage your support of AM1081. Thank you.

HUGHES: Thank you, Senator Lathrop. Senator Slama, you're recognized.

SLAMA: Thank you, Mr. President, and good evening, colleagues. I just wanted to very briefly stand in support of LB354 as amended into LB307 and AM1081. I was absent on the committee statement, but would have voted in support of this bill. It is consent calendar type legislation, so I, I do stand in support of it with the remainder of my Judiciary Committee colleagues. Thank you, Mr. President.

HUGHES: Thank you, Senator Slama. Seeing no one else in the queue, Senator Lathrop, you're welcome to close on AM1081. Senator Lathrop, Senator Lathrop waives closing. Colleagues, the question before us is the adoption of AM1081 to LB307. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk.

CLERK: 38 ayes, 1 nay, Mr. President, on the adoption of Senator Lathrop's amendment.

HUGHES: The amendment is adopted.

CLERK: Mr. President, I have nothing further pending to LB307.

HUGHES: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that LB307 be advanced to E&R for engrossing.

HUGHES: Colleagues, you've heard the motion. All those in favor say aye. All opposed say nay. LB307 is advanced. Next item, Mr. Clerk.

CLERK: Mr. President, LB108. Senator, I have E&R amendments, first of all.

HUGHES: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that the E&R amendments to LB108 be adopted.

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HUGHES: Colleagues, you've heard the motion. All those in favor say aye. All opposed say nay. E&R amendments are adopted.

CLERK: Senator McCollister would move to amend, AM1082.

HUGHES: Senator McCollister, you're welcome to open on AM1082.

McCOLLISTER: Thank you, Mr. President. Good evening, colleagues. My thanks to those of you still here. I guess we've only lost three of our, our members, which is remarkable. My thanks to my colleagues whose input on LB108 between General and Select has been invaluable. I listened to your concerns and worked with the Revisors to draft AM1082 to LB108. This new amendment would establish a hard sunset in LB108 to prevent any General Fund impact. Funding for the SNAP benefits and the state's share of administrative expense would be covered by the American Rescue Plan recently passed by Congress. As a reminder, after AM7-- or AM975 was adopted, LB108 would raise the gross income eligibility limit to receive SNAP benefits in Nebraska to 165 percent of the federal poverty level. AM1082 maintains the 165 percent gross income eligibility limit. You'll recall to be eligible for SNAP benefits, applicants must meet specific requirements. First, a calculation of gross monthly income is performed. I'm going to shorten this a little. As I noted in the General File, SNAP benefits include a multiplier effect. This means having SNAP benefits in a local economy creates a positive ripple impact. This impact is even more noticeable and essential in rural areas than in urban areas. What are some of these, some of these grocers? Family Fresh Market in Kearney, Gary's Super Foods in North Platte, Bayard Grocery in Bayard, Nebraska, Allen's of Hastings, Pac N Save in Wayne, and many other local food providers would all benefit directly from passage of LB108. Please remember that SNAP recipients are our friends, neighbors, and fellow church members. More than a million veterans live in poverty and one in four veterans who served in Iraq and Afghanistan do not know where their next meal is coming from. We could help about 2,000 families with the passage of this bill. Members of these families work in service industries with low hourly pay. They are often subject to seasonal layoffs and unpredictable schedules. These neighbors are on low-income wages. They are forced to make tough decisions, pay the utilities or pay their rent or pay the childcare or pay the healthy foods in exchange for these that are nutritious or do not fully satisfy. It's true that SNAP is far more effective at lifting Americans out of deep poverty than any other program. It is our duty to help as many low-income Nebraskans as we can. I appreciate your wise counsel and urge you to vote green on AM1082 and LB108. Thank you.

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HUGHES: Thank you, Senator McCollister. Debate is now open on AM1082. Senator Erdman, you're recognized.

ERDMAN: Thank you, Mr. Speaker or Mr. President. I appreciate that. I was wondering if Senator McCollister would yield to a question?

HUGHES: Senator McCollister, will you yield?

McCOLLISTER: Yes, I will.

ERDMAN: Senator McCollister, as I'm looking at the bill and I see we adopted AM975 and it has a fiscal note, like, \$580,000 General Fund this year and \$775,000 the next biennium. Can you explain that?

McCOLLISTER: Sure can. The original bill, I had a rate of 185 percent of the poverty rate and so by reducing to 165 percent, the fiscal note would be reduced. However, the fiscal note is covered by the American Rescue Plan, so there is no fiscal note. I can provide a fiscal note to show you that, but the state's going to receive about \$3 million to cover that cost and they will cover the benefits and also the state share of the administrative expense.

ERDMAN: So you're trying to tell me the fiscal note on AM975 is, is null and void?

McCOLLISTER: Yes.

ERDMAN: It was nine-- it was \$586,000 and \$779,000. How can changing the percentage from 185 to 165 do away with the fiscal note?

McCOLLISTER: Well, I'm trying to say is that when we passed the American Savings Act in Congress, they gave each state or many states money to cover the extra cost, the benefit cost, and also the, the administrative expense, so there is no fiscal note.

ERDMAN: You say the-- so then you're saying the, the federal funds are going to cover both? Is that what you're saying?

McCOLLISTER: Well, with SNAP, it's fully paid for by the federal government anyway. The benefits are paid by the federal government. The state share of, of, of SNAP is simply the administrative expense.

ERDMAN: OK.

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McCOLLISTER: But with the passage of this act, you know, that particular aspect, extra expense for admin-- administrative expense, is covered.

ERDMAN: So isn't there going to be administrative costs for, for LB108 even if we lower it to 165?

McCOLLISTER: There will be extra administrative costs, but it's covered by the American Savings Plan.

ERDMAN: OK, so is there a sunset on this bill?

McCOLLISTER: Yes, sir.

ERDMAN: When is that?

McCOLLISTER: September of '23.

ERDMAN: OK and, and so then once we do this, then the, the rate will drop back to what, 135?

McCOLLISTER: No, 130.

ERDMAN: 130? OK. All right. I'm, I'm not, I'm not convinced this is the thing to do yet, but thanks for answering my questions.

McCOLLISTER: Sure.

HUGHES: Thank you, Senator Erdman and Senator McCollister. Seeing no one else in the queue, Senator McCollister, you're welcome to close on AM1082. Senator McCollister waives closing. Colleagues, the question before us is the adoption of AM1082. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk.

CLERK: 34 ayes, 2 nays, Mr. President, on the adoption of Senator McCollister's amendment.

HUGHES: The amendment is adopted. Next item.

CLERK: Senator Arch would move to amend with AM1196.

HUGHES: Senator Arch, you're welcome to open on AM1196.

ARCH: Thank you, Mr. President. My concern with this bill from the very beginning was that we not build disincentives to work, to improve lives, to build careers, to increase skills, to make better lives and that has been my, that has been my concern. I voted no in committee

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and I've had many, many discussions with Senator McCollister on this. One of the things I think that was recognized in, in his amendment was this two-year hard sunset, which recognizes that we have some people in, in difficult situations as a result of, of COVID and loss of jobs, but we desperately need people back into the workforce. And it's not imagined, I, I think we look at, we look at the ads in our, in our communities and, and we read the newspaper; 60,000-- approximately 60,000 ads are currently running in the state of Nebraska for jobs, open jobs. This last week, there was an article in the World-Herald and I'll just read you the, the headline of it, "Labor shortage pinches, vexes restaurateurs across Nebraska, country." We have empty positions. We have opened-- we have restaurants that cannot open because they cannot fill positions, so we cannot build disincentives into our system. We need to help the people in need and make sure that we don't hurt in the process. So this is the genesis of AM1196. It, it is, it, it is a program that I became aware of in the last couple of years. It started as a very small program and the program is a, is a cooperative between the Department of Health and Human Services and the Department of Labor and the name of the program is called SNAP Next Step. So AM1196 provides that SNAP recipients who fall in this newly eligible income window between 131 and 165 percent of the federal poverty guideline will, will be referred to the Department of Labor for enrollment in the SNAP Next Step program if they are eligible to participate and not exempt from work participation requirements and if the program is available in their area. Once enrolled in the program, recipients have the benefit of the Workforce Innovation and Opportunity Act to assist with job search, preparing for interviews, updating resumes, occupational skills training, work experience, and on-the-job training. This is a, this is an intense program where these individuals that are newly qualified will be referred automatically to this program and people will be assigned to assist them as they need it. And how they-- and, and the goal, of course, is to get a better job, to get a better skill, to go up that career ladder, and to build a better life for all these individuals. My understanding from talking to the DHHS and Department of Labor is that the Next Step program has delivered very beneficial results for the Nebraskans who have taken advantage of the program. For example, the program helped a single mother who was earning just over \$900 a month with no benefits to gain a new job earning almost \$2,700 a month with full benefits, pension, and potential bonuses. So this, this-- as I said, this amendment automatically enrolls these people in this program and begins working with them to help them find better job, better career, better, better skills. Because of the success, Department of Labor is rolling this out across the state and we've

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checked with, we've checked with them. They're, they are willing and able to receive more referrals into this program and they're, and they're very excited about it because the results are, are impressive. So with that, I encourage you to adopt AM1196 as, as an amendment to LB108 and I appreciate Senator McCollister working with me on this bill. I think we both were of the same mind that we want to see people improve their lives. We want to see people have better jobs, better careers, and be able to move up in their skills. So I encourage you to support AM1196. Thank you.

HUGHES: Thank you, Senator Arch. Debate is now open on AM1196. Senator Erdman, you're recognized.

ERDMAN: Thank you, Mr. President. Good evening. Senator Arch, your amendment may very well bring me around to vote green perhaps. You made a comment about the food service industry being short of help. There's a famous restaurant in this city that we were going to dine at last Monday, but they're closed on Mondays because they can't find enough help, so that's exactly what's happening. Why would you work when you get paid to stay home? And so I appreciate your amendment. Let me also clarify something for Senator McCollister. In your opening, Senator McCollister, you had commented about Bayard Grocery in Bayard and Bayard Grocery in Bayard is no longer open and so that is not going to be part of the-- when you go in your closing, don't use Bayard Grocery because they're no longer in existence. So I appreciate Senator Arch bringing this. We're actually going to try to get people to go back to work. That is amazing and I very well may vote for AM1196 and, and perhaps I could even vote for AM1108. Thank you.

HUGHES: Thank you, Senator Erdman. Seeing no one else in the queue, Senator Arch, you're welcome to close on AM1196. Senator Arch waives closing. Colleagues, the question before us is the advancement of AM1196. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk.

CLERK: 38 ayes, 0 nays on the adoption of Senator Arch's amendment.

HUGHES: The amendment is adopted.

CLERK: I have nothing further on the bill, Mr. President.

HUGHES: Thank you, Mr. Clerk. Senator McKinney for a motion.

McKINNEY: Mr. President, I move that LB108 be advanced to E&R for engrossing.

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HUGHES: Colleagues, you've all heard the motion. All those in favor say aye. All opposed say nay. LB108 is advanced. Next item, Mr. Clerk.

CLERK: LB108A. No E&Rs. Senator McCollister, AM1174.

HUGHES: Senator McCollister, you're welcome to open on AM1174.

McCOLLISTER: Thank you, Mr. President, and thank you, colleagues, for the affirmative vote. I need to thank Senator Arch for his help on-- with the amendment. It really enhances the bill and makes it a much better product, so I'm, I'm grateful to him. Like Patty, I have many people to thank, but I won't. But thank you to Senator Ben Hansen for his advice. I'm, I'm grateful for that. And thank you, colleagues. I would appreciate your affirmative vote on AM1174. Thank you.

HUGHES: Thank you, Senator McCollister. Debate is now open on AM1174. Seeing no one in the queue, Senator McCollister, you're welcome to close on AM1174. Senator McCollister waives closing. Colleagues, the question before us is the adoption of AM1174 to LB108A. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk.

CLERK: 34 ayes, 0 nays, Mr. President, on the adoption of Senator McCollister's amendment.

HUGHES: AM1174 is adopted.

CLERK: I have nothing further on the bill, Mr. President.

HUGHES: Thank you, Mr. Clerk. Senator McKinney for a motion.

McKINNEY: Mr. President, I move that LB108A be advanced to E&R for engrossing.

HUGHES: Colleagues, you've all heard the motion. All those in favor say aye. All opposed say nay. LB108A is advanced. Next item, Mr. Clerk.

CLERK: Mr. President, Senator McKinney, LB485. I have E&R amendments, Senator.

HUGHES: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that the E&R amendments to LB485 be adopted.

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HUGHES: Colleagues, you all heard the motion. All those in favor say aye. All opposed say nay. E&R amendments are adopted.

CLERK: Mr. President, Senator DeBoer would move to amend with AM1187.

HUGHES: Senator DeBoer, you're welcome to open on AM1187.

DeBOER: Thank you, Mr. President. I had a longer opening written, but I will give you the short, short version, which is this amendment takes the program from its hard sunset after 36 months to only 27 months in order to fit with federal guidance on the ARPA eligibility period. So I would ask for your green light adopting this amendment to shorten the period of the program. Thank you, Mr. President.

HUGHES: Thank you, Senator DeBoer. Debate is now open on AM1187. Seeing no one in the queue, Senator DeBoer, you're welcome to close on AM1187. Senator DeBoer waives closing. Colleagues, the question before us is the advancement of AM1187. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk.

CLERK: 34 ayes, 0 nays, Mr. President, on the adoption of Senator DeBoer's amendment.

HUGHES: The amendment is adopted.

CLERK: I have nothing further on the bill, Mr. President.

HUGHES: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that LB485 be advanced to E&R for engrossing.

HUGHES: Colleagues, you've all heard the motion. All those in favor say aye. All opposed say nay. LB485 is advanced. Mr. Clerk.

CLERK: LB2. Senator, I have E&R amendments first of all.

HUGHES: Senator McKinney for a motion.

McKINNEY: Mr. President, I move that the E&R amendments to LB2 be adopted.

HUGHES: Colleagues, you've heard the motion. All those in favor say aye. All those opposed say nay. E&R amendments are adopted.

CLERK: Senator Briese would move to amend with AM1165.

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HUGHES: Senator Briese, you're welcome to open on 11-- AM1165.

BRIESE: Thank you, Mr. President. As you may recall, the-- what we did last time, the E&R amendment to LB2 reflects what this body adopted. It values ag land at 50 percent of value for repayment of school bonds issued after the effective date of the act. This amendment simply changes it from repayment of bonds issued after the effective date of the act to bonds approved by a vote of the people after the effective date of the act; establishes more clarity to what they're, what they're doing here. Thank you, Mr. President.

HUGHES: Thank you, Senator Briese. Colleagues, debate is now open on AM1165. Seeing no one in the queue, Senator Briese, you're recognized to close on AM1165. Senator Briese waives closing. Colleagues, the question before us is the advancement of AM1165. All those in favor vote aye; all those opposed vote nay. Have you all voted? Record, Mr. Clerk.

CLERK: 35 ayes, 0 nays on the adoption of Senator Briese's amendment.

HUGHES: AM1165 is adopted.

CLERK: I have nothing further on the bill, Mr. President.

HUGHES: Thank you, Mr. Clerk. Senator McKinney for a motion.

McKINNEY: Mr. President, I move that LB2 be advanced to E&R for engrossing.

HUGHES: Colleagues, you've all heard the motion. All those in favor say aye. All opposed say nay. LB2 is advanced. Mr. Clerk.

CLERK: Mr. President, some items, if I may. LB406A is a A bill by Senator McDonnell. It appropriates funds for-- to LB406. Senator McKinney, an amendment to 5-- LB452 to be printed and a motion from Senator Slama with respect to LB486. Name adds: Senator Lindstrom to LB406 and LR109. And Mr. President, Senator Dorn would move to adjourn the body until Thursday morning at 9:00 a.m.

HUGHES: Colleagues, you've all heard the motion. All those in favor say aye. All opposed say nay. We are adjourned.